7 Attachment A - Form of Service Agreement for Firm Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (the "ISO"), and _____ ("Transmission Customer").

2.0 The Transmission Customer has been determined by the ISO to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.

3.0 Service under this agreement shall commence on the later of (l) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.

4.0 The ISO agrees to provide and the Transmission Customer agrees to pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

ISO:

_____

_____

_____

Transmission Customer:

_____

_____

_____

6.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

ISO:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

25 Attachment S – Rules To Allocate Responsibility for the Cost of New Interconnection Facilities

25.1 Introduction

Upon the effective date of the Standard Interconnection Procedures in Attachment HH to the ISO OATT, the requirements in this Attachment S shall no longer apply except as set forth in the transition rules in Section 40.3 of Attachment HH to the ISO OATT.

25.1.1 Purpose of the Rules

The purpose of these rules is (1) to allocate responsibility among Developers and Transmission Owners and Load Serving Entities ("LSEs"), as described herein, for the cost of the new interconnection facilities that are required for the reliable interconnection of Projects to the New York State Transmission System and to the Distribution System in compliance with the requirements of the type of interconnection service elected by the Developer; and (2) allocate responsibility for the cost of interconnection facilities required for Capacity Resource Interconnection service ("CRIS") and interconnection in compliance with the NYISO Deliverability Interconnection Standard. Section 25.6 of this Attachment S describes the rules to estimate and allocate responsibility for the cost of the interconnection facilities required for Energy Resource Interconnection Service ("ERIS") and interconnection in compliance with the NYISO Minimum Interconnection Standard. Section 25.7 of this Attachment S describes the rules to estimate and allocate responsibility for the cost of interconnection facilities required for CRIS and interconnection in compliance with the NYISO Deliverability Interconnection Standard. Every Developer is responsible for the cost of the new interconnection facilities required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules. In addition, every Developer electing CRIS is also responsible for the cost of the interconnection facilities required

pursuant to the NYISO Deliverability Interconnection Standard, as that responsibility is determined by these rules.

The rules in this Attachment S to the ISO OATT cover (i) Large Facilities greater than 20 MW subject to the Large Facility Interconnection Procedures set out in Attachment X to the ISO OATT ("LFIP"), (ii) Small Generating Facilities no larger than 20 MW subject to the Small Generator Interconnection Procedures set out in Attachment Z to the ISO OATT ("SGIP") that are required to enter a Class Year Study pursuant to Section 32.3.5.3.2 of the SGIP, and facilities greater than 2 MW that seek to obtain or increase CRIS beyond the levels permitted by this Attachment S, Section 30.3.2.6 of the LFIP and Section 32.4.11.1 of the SGIP, as applicable (each a "Project" and collectively, "Projects" for purposes of this Attachment S).

As described herein, the intent is that each Developer be held responsible for the net impact of the interconnection of its Project on the reliability of the New York State Transmission System. A Developer is held responsible for the cost of the interconnection facilities that are required by its Project, facilities that would not be required but for its Project. However, a Developer is not responsible for the cost of facilities that are, without considering the impact of its Project, required to maintain the reliability of the New York State Transmission System. Transmission Owners are, in accordance with the ISO OATT and FERC precedent, responsible for the cost of the facilities that are, without considering the impact of the Developer's Project, required to maintain the reliability of the New York State Transmission System.

25.1.2 Definitions

Unless defined here in Section 25.1.2 of this Attachment S, the definition of each defined term used in this Attachment S shall be the same as the definition for that term set forth in

Section 1 of the ISO Open Access Transmission Tariff ("OATT"), Section 30.1 of Attachment X to the ISO OATT, Attachment Z to the ISO OATT, or Section 2 of the ISO Services Tariff.

Acceptance Notice: The notice by which a Developer communicates to the ISO its decision to accept a Project Cost Allocation or Revised Project Cost Allocation.

Additional SDU Study: A study that a Developer may elect to pursue if the Class Year Deliverability Study identifies the need for a new System Deliverability Upgrade (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study) that requires additional study.

Affected System: An electric system other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Operator: The entity that operates an Affected System.

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

Annual Transmission Baseline Assessment ("ATBA"): An assessment conducted by the ISO staff in cooperation with Market Participants, to identify the System Upgrade Facilities that Transmission Owners are expected to need during the time period covered by the Assessment to comply with Applicable Reliability Requirements, and reliably meet the load growth and changes in load pattern projected for the New York Control Area.

Annual Transmission Reliability Assessment ("ATRA"): An assessment, conducted by the ISO staff in cooperation with Market Participants, to determine the System Upgrade Facilities required for each Project included in this Assessment to interconnect to the New York State Transmission System in compliance with Applicable Reliability Requirements and the NYISO Minimum Interconnection Standard.

Applicable Reliability Requirements: The NYSRC Reliability Rules and other criteria, standards and procedures, as described in Section 25.6.1.1.1.1 of this Attachment S, applied when conducting the Annual Transmission Baseline Assessment and the Annual Transmission Reliability Assessment to determine the System Upgrade Facilities needed to maintain the reliability of the New York State Transmission System. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

Article VII Certificate: The certificate of environmental compatibility and public need required under Article VII of the New York State Public Service Law for the siting and construction of any new transmission facility of a size and type specified in the statute.

Article 10 Certificate: The certificate of environmental compatibility and public need required under Article 10 of the New York State Public Service Law for the siting and construction of electric generating facilities with greater than 25 megawatts of capacity.

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

Byway: All transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities in Zone J and Zone K are Byways.

Capacity Region: One of four subsets of the Installed Capacity statewide markets comprised of: (1) Rest of State (*i.e.*, Load Zones A through F); (2) Lower Hudson Valley (*i.e.*, Load Zones G, H and I); (3) New York City (*i.e.*, Load Zone J); and (4) Long Island (*i.e.*, Zone K), except for Class Year Interconnection Facility Studies conducted prior to Class Year 2012, for which "Capacity Region" shall be defined as set forth in Section 25.7.3 of this Attachment S.

Capacity Resource Interconnection Service ("CRIS"): The service provided by the ISO to Developers that satisfy the NYISO Deliverability Interconnection Standard or that are otherwise eligible to receive CRIS in accordance with this Attachment S; such service being one of the eligibility requirements for participation as an ISO Installed Capacity Supplier.

Class Year: The group of Projects included in any particular Class Year Interconnection Facilities Study (Annual Transmission Reliability Assessment and Class Year Deliverability Study), in accordance with the criteria specified in this Attachment S and in Attachment Z for including such Projects.

Class Year CRIS Project: A Class Year Project with an executed Class Year Interconnection Facilities Study Agreement entering a Class Year Study for a CRIS evaluation, that thereby becomes one of the group of Class Year Projects included in the Class Year Deliverability Study. A Class Year CRIS Project may be a "CRIS-only" Project that is entering a Class Year Study only for a CRIS evaluation, or it may be a Project seeking both ERIS and CRIS.

Class Year Deliverability Study: An assessment, conducted by the ISO staff in cooperation with Market Participants, to determine whether System Deliverability Upgrades are required for Class Year CRIS Projects under the NYISO Deliverability Interconnection Standard.

Class Year Interconnection Facilities Study ("Class Year Study") shall mean a study conducted by the ISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Interconnection Facilities Study Agreement ("Class Year Study Agreement") shall mean the form of agreement contained in Appendix 2 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT for conducting the Class Year Interconnection Facilities Study.

Class Year Project: An Eligible Class Year Project with an executed Class Year Interconnection Facilities Study Agreement that thereby becomes one of the group of Projects included in any particular Class Year Interconnection Facilities Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in this Attachment S and in Attachment Z for including such Projects.

Class Year Start Date: The deadline for Eligible Class Year Projects to enter a Class Year Interconnection Facilities Study, determined in accordance with Section 25.5.9 of this Attachment S.

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

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

Contingent Facilities shall mean those Attachment Facilities and System Upgrade Facilities and/or System Deliverability Upgrades associated with Class Year Projects upon which the

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

Contribution Percentage: The ratio of a Project's measured impact or pro rata contribution to a System Upgrade Facility identified in the Annual Transmission Reliability Assessment, to the sum of the measured impacts or pro rata contributions of all the Projects in the same Class Year that have at least a *de minimus* impact or contribution to the System Upgrade Facility.

Developer: For purposes of this Attachment S, references to Developer(s) include any of the following: (i) Developer(s) of Large Facilities, (ii) Interconnection Customers of Small Generating Facilities subject to the Rules in this Attachment S pursuant to Section 32.1.1.7 and/or Section 32.3.5.3.2 of Attachment Z to the OATT; and (iii) developers of existing facilities (*i.e.*, facilities that have completed the applicable interconnection studies and have an effective interconnection agreement) seeking to obtain or increase CRIS as permitted by this Attachment S.

Distribution System: The Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the ISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

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

Eligible Class Year Project: Any Developer or Interconnection Customer that (i) satisfies the criteria for inclusion in the next Class Year Interconnection Facilities Study, as those criteria are specified in Sections 25.5.9 and 25.6.2.3.1 of this Attachment S, Section 32.1.1.7 of Attachment Z to the OATT and/or Section 32.3.5.3.2 of Attachment Z to the OATT; or (ii) that seeks evaluation in a Class Year Study to obtain or increase CRIS as permitted by this Attachment S and satisfies the criteria for inclusion in the next Class Year Interconnection Facilities Study specified in Section 25.5.9 of this Attachment S.

Energy Resource Interconnection Service ("ERIS"): The service provided by the ISO to interconnect the Developer's Large Generating Facility, Class Year Transmission Project or Small Generating Facility required to participate in a Class Year Interconnection Facilities Study under Section 32.3.5.3 of Attachment Z to the New York State Transmission System or to the Distribution System, in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive Energy and Ancillary Services from the Large Generating Facility, Class Year Transmission Project or Small Generating Facility required to participate in a Class Year Interconnection Facilities Study under Section 32.3.5.3 of Attachment Z, pursuant to the terms of the ISO OATT.

Existing System Representation: The representation of the New York State Power System developed as specified in Section 25.5.5 of this Attachment S.

Expedited Deliverability Study: A study conducted by the ISO or a third party consultant to determine the extent to which an existing or proposed facility satisfies the NYISO Deliverability Interconnection Standard at its requested CRIS level without the need for System Deliverability Upgrades. The schedule and scope of the study is defined in Sections 25.5.9.2.1 and 25.7.1.2 of this Attachment S.

External CRIS Rights: A determination of deliverability within the Rest of State Capacity Region (*i.e.,* Load Zones A – F), awarded by the ISO for a term of five (5) years or longer, to a specified number of Megawatts of External Installed Capacity that satisfy the requirements set forth in Section 25.7.11 of this Attachment S to the ISO OATT, and that can be certified in a Bilateral Transaction used for the NYCA and not a Locality, or sold into the NYCA for an Installed Capacity auction and not in an Installed Capacity auction for a Locality.

External-to-ROS Deliverability Rights: The meaning set forth in Section 2.5 of the Services Tariff.

Final Decision Round: The round of ISO-communicated cost estimates and Developer responses for a Class Year Interconnection Facilities Study, in which all remaining eligible Developers issue an Acceptance Notice and post Security.

Financial Settlement: The Settlement Agreement approved by FERC in Docket Nos. EL02-125-000 and EL02-125-001 addressing the financial issues raised in those proceedings.

Headroom: The functional or electrical capacity of the System Upgrade Facility or the electrical capacity of the System Deliverability Upgrade that is in excess of the functional or electrical capacity actually used by the Developer's Project.

Highway: 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

Initial Decision Period: The 30 calendar day period within which a Developer must provide an Acceptance Notice or Non-Acceptance Notice to the ISO in response to the first Project Cost Allocation issued by the ISO to the Developer.

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

Large Facility: A Large Generating Facility or a Class Year Transmission Project.

NERC Planning Standards: The transmission system planning standards of the North American Electric Reliability Council.

Non-Acceptance Notice: The notice by which a Developer communicates to the ISO its decision not to accept a Project Cost Allocation or Revised Project Cost Allocation.

Non-Financial Settlement: The Settlement Agreement approved by FERC in Docket Nos. EL02-125-000 and EL01-125-001 addressing non-financial issues for future cost allocations.

NPCC Basic Design and Operating Criteria: The transmission system design and operating criteria of the Northeast Power Coordinating Council.

NYISO Deliverability Interconnection Standard: The standard that must be met, unless otherwise provided for by this Attachment S, by (i) any generation facility larger than 2 MW in order for that facility to obtain CRIS (ii) any Class Year Transmission Project; (iii) any entity requesting External CRIS Rights, and (iv) any entity requesting a CRIS transfer pursuant to Section 25.9.5 of this Attachment S. To meet the NYISO Deliverability Interconnection Standard, the Developer must, in accordance with these rules, fund or commit to fund any System Deliverability Upgrades identified for its Project in the Class Year Deliverability Study.

NYISO Load and Capacity Data Report: The annual ISO survey of power demand and supply in New York State, published pursuant to Section 6-106 of the Energy Law of New York State.

NYISO Minimum Interconnection Standard: The reliability standard described in Section 25.2 of this Attachment S that must be met by any Project that is subject to ISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or the ISO's Small Generator Interconnection Procedures in Attachment Z to the ISO OATT, that is proposing to connect to the New York State Transmission System or to the Distribution System to obtain ERIS. The Standard is designed to ensure reliable access by the proposed Project to the New York State Transmission System or to the Distribution System, as applicable. The Standard does not impose any deliverability test or deliverability requirement on the proposed Project.

NYSRC Reliability Rules: The reliability rules of the New York State Reliability Council.

Open Class Year: Class Year open for new members pursuant to the Class Year Start Date deadline specified in Section 25.5.9 of this Attachment S.

Other Interfaces: The following Interfaces into Capacity Regions: Lower Hudson Valley [*i.e.,* Rest of State (Load Zones A-F) to Lower Hudson Valley (Load Zones G, H and I)]; New York City [*i.e.,* Lower Hudson Valley (Load Zones G, H and I) to New York City (Load Zone J)]; and Long Island [*i.e.,* Lower Hudson Valley (Load Zones G, H and I) to Long Island (Load Zone K)], and the following Interfaces between the NYCA and adjacent Control Areas: PJM to NYISO, ISO-NE to NYISO, Hydro-Quebec to NYISO, and Norwalk Harbor (Connecticut) to Northport (Long Island) Cable.

Overage Cost: The dollar amount by which the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment exceeds the total cost of System Upgrade Facilities considered in the Annual Transmission Baseline Assessment for the same Class Year.

Overage Cost Percentage: The ratio of the Overage Cost to the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment.

Project: The proposed facility as described in a single Interconnection Request, to the extent permitted by Attachment X or Attachment Z to the ISO OATT, as applicable. For facilities not subject to the ISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT, the Project refers to the facility as described in a single Class Year Study Agreement or Expedited Deliverability Studies Agreement, to the extent permitted by Attachment S to the ISO OATT.

Project Cost Allocation: The dollar figure estimate for a Developer's share of the cost of the System Upgrade Facilities required for the reliable interconnection of its Project to the New York State Transmission System or to the Distribution System and/or the share of the cost of the System Deliverability Upgrades required for the Developer's Project to meet the NYISO Deliverability Interconnection Standard.

Revised Project Cost Allocation: The revised dollar figure cost estimate and related information provided by the ISO to a Developer following receipt by the ISO of a Non-Acceptance Notice, or upon the occurrence of a Security Posting Default by another member of the respective Class Year.

Security: Under the interconnection facilities cost allocation rules set out in this Attachment S, a Developer must signify its willingness to pay the Connecting Transmission Owner and Affected Transmission Owner(s) for the Developer's share of the required System Upgrade Facilities and System Deliverability Upgrades by posting Security for the full amount of the Developer's share within a specified time frame. The Security can be a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the Connecting Transmission Owner and Affected Transmission Owner(s), meeting the requirements of this Attachment S, and meeting the commercially reasonable requirements of the Connecting Transmission Owner and Affected Transmission Owner(s).

Security Posting Default: A failure by one or more Developers to post Security as required by this Attachment S.

Subsequent Decision Period: A seven calendar day period within which a Developer must provide an Acceptance Notice or Non-Acceptance Notice to the ISO in response to the Revised Project Cost Allocation issued by the ISO to the Developer.

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

System Upgrade Facilities: The least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system, including such changes as load growth, and changes in load pattern, to be addressed in accordance with Section 25.4.1 of this Attachment S; and (ii) proposed interconnections. In the case of proposed interconnections, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

25.2 Minimum Interconnection Standard

25.2.1 Scope and Purpose of Standard

Each Large Facility and each Small Generating Facility subject to this Attachment S pursuant to Section 32.3.5.3.2 of Attachment Z must be evaluated under the NYISO Minimum Interconnection Standard in a Class Year Study. A Transmission Owner that has constructed a reliability-based transmission or distribution system upgrade, or an upgrade pursuant to an order issued by a regulatory body requiring such construction, will not be deemed to be a Developer under these rules because of the construction of that upgrade.

25.2.1.1 The NYISO Minimum Interconnection Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System and to the Distribution System. The NYISO Minimum Interconnection Standard does not impose any deliverability test or deliverability requirement on the proposed project. Application of these rules, including the Annual Transmission Baseline Assessment and the Annual Transmission Reliability Assessment, to allocate responsibility for the cost of new transmission facilities to permit interconnection is not intended to affect the NYISO Minimum Interconnection Standard.

25.2.1.1.1 Consequently, the Minimum Interconnection Standard is not intended to address in any way the allocation of responsibility for the cost of upgrades and other new facilities associated with transmission service and the delivery of power across the Transmission System, the reduction of Congestion, economic transmission system upgrades, or the mitigation of Transmission System overloads associated with the delivery of power.

25.2.1.1.2 It is not anticipated that the installation of any interconnection facilities covered by the Minimum Interconnection Standard will improve the deliverability of power, reduce Congestion, or mitigate overloads associated with the delivery of power. If the installation of any facilities by a Developer does improve deliverability, reduce Congestion and create Incremental Transmission Congestion Contracts, or mitigate overloads, then that situation will be handled in accordance with the relevant provisions of the ISO OATT, including Sections 3.7 and 4.5, and applicable FERC precedent.

25.3 Deliverability Interconnection Standard

25.3.1 Scope and Purpose of Standard

Each proposed or existing facility larger than 2 MW, and each facility with CRIS that requests an increase to its CRIS, must meet the NYISO Deliverability Interconnection Standard before it can receive CRIS or Unforced Capacity Deliverability Rights, unless otherwise provided for in this Attachment S. For purposes of this Section 25.3.1, a facility comprised of multiple Generators is a single "facility."

Pursuant to Section 32.1.1.7 of Attachment Z to the OATT, a Small Generating Facility 2 MW or smaller may obtain CRIS without being evaluated for deliverability under the NYISO Deliverability Interconnection Standard. The requirement that a facility not subject to the ISO's Large Facility Interconnection Procedures or Small Generator Interconnection Procedures must meet the NYISO Deliverability Interconnection Standard to become a qualified Installed Capacity Supplier first applies on May 19, 2016, subject to the transition rule specified in Section 25.9.3.4.1 of this Attachment S.

Any facility with an established CRIS value may, at a later date, without submitting a new Interconnection Request, ask the ISO to reevaluate the facility for a higher level of MW of Installed Capacity, not to exceed the permissible levels of CRIS that may be requested pursuant to Section 25.8.1 of this Attachment S, by entering a Class Year Study or Expedited Deliverability Study to identify requested increase in CRIS MW is deliverable. Any facility with an established CRIS value may, without such evaluation and without submitting a new Interconnection Request, increase its existing CRIS value by a total of no more than 2 MW of Installed Capacity during the operating life of the facility; provided however, for Projects comprised of multiple Generators, this CRIS increase up to 2 MW is permitted only at the

facility (*i.e.*, Project) level, not at the individual Generator level. A facility that receives this up to 2 MW CRIS increase, to the extent it later combines with another facility or Project to become a multi-Generator co-located resource (*e.g.*, a Co-located Storage Resource or Distributed Energy Resource), is not eligible for any additional CRIS increase above 2 MW, including the MW of CRIS increase already received pursuant to this Section 25.3.1, without proceeding through a deliverability evaluation in a Class Year Study or Expedited Deliverability Study.

Pursuant to Section 30.3.2.6 of Attachment X to the ISO OATT, an "established CRIS value" for facilities subject to a CRIS set and reset period pursuant to Sections 25.9.3.3, 25.9.3.1.4.1, 25.9.3.1.4.2, or 25.9.3.5 of this Attachment S is the final CRIS value established after the termination of the CRIS set and reset period.

As defined in Section 25.1 of this Attachment S, the term "Large Facility" includes a Class Year Transmission Project. A Class Year Transmission Project, as such term is defined in Section 25.1 of this Attachment S, includes any proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Developer is eligible to request and does request CRIS—in the form of Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, as applicable, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Developer requests only ERIS and the transmission facility for which it requests ERIS is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment

Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

25.3.1.1 The NYISO Deliverability Interconnection Standard is designed to ensure that the Project is deliverable throughout the New York Capacity Region(s) where the Project will interconnect or is interconnected. The NYISO Deliverability Interconnection Standard is also designed to ensure that the Developer of the Project restores the transfer capability of any Other Interfaces degraded by its interconnection.

25.3.1.2. Each Project electing CRIS will be allowed to become an Installed Capacity Supplier, or will be allowed to receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, in accordance with the rules of the New York Installed Capacity market, up to the amount of its deliverable capacity, as that amount is determined in accordance with the rules in this Attachment S, once the Developer of the Project has funded or committed to fund any required System Deliverability Upgrades in accordance with the rules in this Attachment S.

25.4 Interconnection Facilities Covered by Attachment S

25.4.1 Interconnection Standards

The interconnection facilities covered by these cost allocation rules are (i) those required for the proposed project to reliably interconnect to the New York State Transmission System or to the Distribution System in a m**a**nner that meets the NYISO Minimum Interconnection Standard for ERIS, and (ii) those required for the project to meet the NYISO Deliverability Interconnection Standard for CRIS.

25.4.2 Interconnection Facilities

The interconnection facilities covered by these cost allocation rules are comprised of the following types of facilities: Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades.

25.5 Class Year Study and Expedited Deliverability Study Processes

25.5.1 Side Agreements

These cost allocation rules will not preclude or supersede any binding cost allocation agreements that are executed between or among Developers, Connecting Transmission Owners and/or Affected Transmission Owners; provided, however, that no such agreements will increase the cost responsibility or cause a material adverse change in the circumstances as determined by these rules of any Developer or Transmission Owner who is not a party to such agreement.

25.5.2 Costs Covered By Attachment S

The interconnection facility cost allocated by these rules is comprised of all costs and overheads associated with the design, procurement and installation of the new interconnection facilities. These rules do not address in any way the allocation of responsibility for the cost of operating and maintaining the new interconnection facilities once they are installed. Nor do these rules address in any way the ownership of the new interconnection facilities.

25.5.3 Dispatch Costs

Developers, Connecting Transmission Owners and Affected Transmission Owners will not be charged directly for any redispatch cost that may be caused by the temporary removal of transmission facilities from service to install new interconnection facilities, as such cost is reflected in Locational Based Marginal Prices. Nor will existing generators be paid for any lost opportunity cost that may be incurred when their units are dispatched down or off in connection with the installation of new interconnection facilities.

25.5.4 Transmission Owners' Cost Recovery

Any Connecting or Affected Transmission Owner implementation and construction of (i) System Upgrade Facilities as identified in the Annual Transmission Baseline Assessment or Annual Transmission Reliability Assessment, or (ii) System Deliverability Upgrades as identified in the Class Year Deliverability Study, shall be in accordance with the ISO OATT, Commission-approved ISO Related Agreements, the Federal Power Act and Commission precedent, and therefore shall be subject to the Connecting or Affected Transmission Owner's right to recover, pursuant to appropriate financial arrangements contained in agreements or Commission-approved tariffs, all reasonably incurred costs, plus a reasonable return on investment.

25.5.5 Existing System Representation

The ISO shall include in the Existing System Representation for purposes of the ATBA and ATRA for a given Class Year Study or Expedited Deliverability Study:

25.5.5.1 For Class Years commencing subsequent to Class Year 2017 and before March 20, 2024: (i) the following facilities included in the ISO's most recent NYISO Load and Capacity Data Report: all generation identified as existing and all transmission facilities identified as existing and/or firm, excluding those facilities that are subject to Class Year cost allocation but for which Class Year cost allocations have not been accepted; (ii) all proposed Projects, together with their associated System Upgrade Facilities and System Deliverability Upgrades, that have accepted their cost allocation in a prior Class Year cost allocation process; provided however, that System Deliverability Upgrades where construction has been deferred pursuant to Sections 25.7.12.2 and 25.7.12.3 of

this Attachment S will only be included if construction of the System Deliverability Upgrades has been triggered under Section 25.7.12.3 of this Attachment S; (iii) all generation and transmission retirements and derates identified in the Load and Capacity Data Report as scheduled to occur during the five-year cost allocation study planning period; and (iv) Transmission Projects that are proposed under Attachments Y or FF of the ISO OATT and have met the following milestones prior to the Class Year Start Date: (1) have been triggered under the Reliability Planning Process, selected under the Short-Term Reliability Process, selected under the Public Policy Transmission Planning Process, or approved by beneficiaries under the Economic Planning Process); and (2) have a completed System Impact Study; (3) have a determination pursuant to Article VII that the Article VII application filed for the facility is in compliance with Public Service Law §122 (*i.e.*, "deemed complete") (if applicable); and (4) are making reasonable progress under the applicable OATT Attachments Y or FF planning process; (v) Transmission Projects that are not proposed under Attachments Y or FF to the ISO OATT that have completed a Facilities Study and posted Security for Network Upgrade Facilities as required in Section 22.11.1 of Attachment P to the ISO OATT and have a determination pursuant to Article VII that the Article VII application filed for the facility is in compliance with Public Service Law §122 (*i.e.*, "deemed complete") (if applicable); (vi) transmission projects not subject to the Transmission Interconnection Procedures or the Attachment X and S interconnection procedures (*i.e.*, new transmission facilities or upgrades proposed by a Transmission Owner in its Local Transmission Owner Plan or

NYPA transmission plan) identified as “firm” by the Connecting Transmission Owner and either (1) have commenced a Facilities Study (if applicable) and have an Article VII application deemed complete (if applicable); or (2) are under construction and scheduled to be in-service within 12 months after the Class Year Start Date and (vii) all other changes to existing facilities, other than changes that are subject to Class Year cost allocation but that have not accepted their Class Year cost allocation, that are identified in the Load and Capacity Data Report or reported by Market Participants to the ISO as scheduled to occur during the five year cost allocation study planning period. Facilities in a Mothball Outage, an ICAP Ineligible Forced Outage, or Inactive Reserves will be modeled as in, and not removed from, the Existing System Representation. If the ISO has triggered multiple Transmission Projects under its Reliability Planning Process, the ISO will include in the base case the selected Transmission Project until or unless that project is halted or its Development Agreement is terminated, in which case the ISO will include in the base case the regulated backstop solution. The point of interconnection of a Retired generator with a terminated interconnection agreement is available to proposed facilities on a non-discriminatory basis pursuant to the ISO’s applicable interconnection and transmission expansion processes and procedures. A Retired generator with an interconnection agreement that remains in effect after it is Retired will retain its right to the specific point of interconnection as provided for in the interconnection agreement and access to this point will not available for new facilities.

For Class Years commencing on or after March 20, 2024: (i) the following facilities included in the ISO's most recent NYISO Load and Capacity Data Report: all generation identified as existing and all transmission facilities identified as existing and/or firm, excluding those facilities that are subject to Class Year cost allocation but for which Class Year cost allocations have not been accepted; (ii) all proposed Projects, together with their associated System Upgrade Facilities and System Deliverability Upgrades, as applicable, that have accepted their cost allocation in a prior Class Year cost allocation process or in accordance with Section 32.3.5.7 of Attachment Z; provided however, that System Deliverability Upgrades where construction has been deferred pursuant to Sections 25.7.12.2 and 25.7.12.3 of this Attachment S will only be included if construction of the System Deliverability Upgrades has been triggered under Section 25.7.12.3 of this Attachment S; (iii) all proposed generators that interconnect to the distribution system through studies conducted outside of the NYISO's interconnection procedures (*e.g.*, the New York State Standardized Interconnection Requirements ("NYSSIR") process or a utility's individual interconnection procedures) and have been identified as firm in accordance with ISO Procedures; (iv) all generation and transmission retirements and derates identified in the Load and Capacity Data Report as scheduled to occur during the five-year cost allocation study planning period; (v) Transmission Projects that are proposed under Attachments Y or FF of the ISO OATT and have met the following milestones prior to the Class Year Start Date: (1) have been triggered

under the Reliability Planning Process, selected under the Short-Term Reliability Process, selected under the Public Policy Transmission Planning Process, or approved by beneficiaries under the Economic Planning Process, (2) have a completed System Impact Study, and (3) are making reasonable progress under the applicable OATT Attachments Y or FF planning process; (vi) Transmission Projects that are not proposed under Attachments Y or FF to the ISO OATT that have completed a Facilities Study and posted Security for Network Upgrade Facilities as required in Section 22.11.1 of Attachment P to the ISO OATT (if applicable); (vii) transmission projects not subject to the Transmission Interconnection Procedures or the Attachment X and S interconnection procedures (*i.e.*, new transmission facilities or upgrades proposed by a Transmission Owner in its Local Transmission Owner Plan or NYPA transmission plan) identified as "firm" by the Connecting Transmission Owner and either (1) have commenced a Facilities Study (if applicable) and have an Article VII application deemed complete (if applicable); or (2) are under construction and scheduled to be in-service within 12 months after the Class Year Start Date; and (viii) all other changes to existing facilities, other than changes that are subject to Class Year cost allocation but that have not accepted their Class Year cost allocation, that are identified in the Load and Capacity Data Report or reported by Market Participants to the ISO as scheduled to occur during the five year cost allocation study planning period. Facilities in a Mothball Outage, an ICAP Ineligible Forced Outage, or Inactive Reserves will be modeled as in, and not removed from, the Existing System Representation. If the ISO has triggered

multiple Transmission Projects under its Reliability Planning Process, the ISO will include in the base case the selected Transmission Project until or unless that project is halted or its Development Agreement is terminated, in which case the ISO will include in the base case the regulated backstop solution. The point of interconnection of a Retired generator with a terminated interconnection agreement is available to proposed facilities on a non-discriminatory basis pursuant to the ISO's applicable interconnection and transmission expansion processes and procedures. A Retired generator with an interconnection agreement that remains in effect after it is Retired will retain its right to the specific point of interconnection as provided for in the interconnection agreement and access to this point will not available for new facilities.

25.5.5.2 The System Upgrade Facilities listed on Exhibit A to the Financial Settlement shall be included in the Existing System Representation. Such System Upgrade Facilities shall be shown as in service in the first year of the five-year cost allocation study planning period and in each subsequent year, unless such System Upgrade Facilities are cancelled or otherwise not in service by January 1, 2010; provided that if such facilities are expected to be in service after January 1, 2010, starting with the Class Year 2010, the ISO shall independently determine such later date when the System Upgrade Facilities are expected to be in service and represent them according to the ISO's determination.

25.5.5.3 System Upgrade Facilities not listed on Exhibit A to the Financial Settlement, but for which cost allocations have been accepted in a prior Class Year cost allocation process, shall be represented in the Existing System

Representation for subsequent cost allocation studies in the year of their anticipated in-service date.

25.5.6 Attachment Facilities

Each Developer is responsible for 100% of the cost of the Attachment Facilities required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

25.5.7 Distribution Upgrades

Each Developer is responsible for 100% of the cost of the Distribution Upgrades required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

25.5.8 No Prioritization of Class Year Projects or Projects in an Expedited Deliverability Study

There will be no prioritization of (1) the Projects grouped and studied together in a Class Year; or (2) the Projects grouped and studied together in an Expedited Deliverability Study. Each Project in a Class Year Study will, with other Projects in the same Class Year, share in the then currently available functional or electrical capability of the transmission system, and share in the cost of the System Upgrade Facilities required to interconnect its respective Project and, for Developers seeking CRIS, System Deliverability Upgrades required under the NYISO Deliverability Interconnection Standard, in accordance with the rules set forth herein. Each Project in an Expedited Deliverability Study will, with other Projects in the same Expedited Deliverability Study, share in the then currently available functional or electrical capability of the transmission system in accordance with the rules set forth herein. For purposes of this Section 25.5.8, the “then currently available functional or electrical capability of the transmission

system" is the functional or electrical capability of the transmission system currently available in the applicable base case.

25.5.9 Class Year and Expedited Deliverability Study Start Date, Entry Requirements and Schedule

25.5.9.1 Class Year Start Date, Entry Requirements and Schedule

The Class Year Study will begin on the Class Year Start Date, which will be the first Business Day after thirty (30) Calendar Days following the completion of the prior Class Year Study.

The ISO will provide notice of the Class Year Study Start Date by (1) sending notice of the start date to those registered through the ISO to be on the distribution lists for the NYISO Operating Committee and its subcommittees; and (2) posting notice of the Class Year Study Start Date.

In order to become an Eligible Class Year Project, a Developer must:

(1) elect to enter the applicable Class Year by providing notice to the ISO, together with (i) a demonstration that the Project satisfies the applicable regulatory milestones described in Section 25.6.2.3.1.1 of Attachment S or (ii) notice that it will submit a qualifying contract pursuant to Section 25.6.2.3.1 of this Attachment S or a two-part deposit consisting of $100,000 plus $3,000/MW deposit as required by Section 25.6.2.3.1, no later than five (5) Business Days following the ISO's posting of the Class Year Start Date; and

(2) satisfy the criteria for inclusion in the next Class Year, on or before the Class Year Start Date, as those criteria are specified in Section 25.6.2.3.1 of this Attachment S, Section 32.1.1.7 of Attachment Z to the OATT or Section 32.3.5.3.2 of Attachment Z to the OATT, as applicable; and

(3) if requesting only CRIS, have completed one of the following on or before the Class Year Start Date, as applicable: a Class Year Study for ERIS, a System Impact Study under the Small Generator Interconnection Procedures, or a utility interconnection study if the Project is not subject to the ISO interconnection procedures under Attachments X and Z.

Upon a Developer's satisfaction of the Class Year Study eligibility criteria specified in this 25.5.9.1, the ISO will tender a Class Year Study Agreement to the Developer pursuant to Section 30.8.1 of Attachment X to the OATT. An Eligible Class Year Project that satisfies the requirements of Section 30.8.1 of Attachment X to the OATT as it relates to completion of a Class Year Study Agreement, submission of required technical data and updated In-Service Date, Initial Synchronization Data and Commercial Operation Date, and submission of required deposits, all within 10 Business Days of the tender of the Class Year Study Agreement, will become a Class Year Project.

An Eligible Class Year Project that elects to enter a Class Year Study pursuant to this Section 25.5.9.1 but retracts its election prior to the ISO's tender of the Class Year Study Agreement will not become a member of the Class Year Study. An Eligible Class Year Project that elects to enter a Class Year Study pursuant to this Section 25.5.9.1 but retracts its election after the ISO's tender of the Class Year Study Agreement prior to or after the deadline for execution of the Class Year Study Agreement will not become a member of the Class Year Study; however, such retraction will count as one of the two Class Year Studies that a Project may enter pursuant to Section 25.6.2.3.4 of this Attachment S.

All parties engaged in performing study work as part of the Annual Transmission Reliability Assessment and Class Year Deliverability Study (collectively, the Class Year Study)

are required to use Reasonable Efforts to complete the basic required evaluations and cost estimates for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades in order that the Class Year Study can be presented to the Operating Committee for approval within twelve (12) months from the Class Year Start Date.

Through the Interconnection Projects Facilities Study Working Group and/or the Transmission Planning Advisory Subcommittee distribution lists, the ISO will provide the anticipated Class Year Schedule, including the status of and anticipated completion date of the Annual Transmission Baseline Assessment study cases.

25.5.9.2 Expedited Deliverability Study Process

25.5.9.2.1 Study Start Date, Entry Requirements and Schedule

The start date for the first Expedited Deliverability Study will be the first Business Day after thirty (30) Calendar Days following February 18, 2020. After the completion of the initial Expedited Deliverability Study, each Expedited Deliverability Study will begin the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study; provided however, an Expedited Deliverability Study may not commence during the period between the posting of the draft Class Year Study report for Operating Committee approval and commencement of the next Class Year Study. If the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study falls on a date within the above-described Class Year decision and settlement period, the Expedited Deliverability Study will begin on the first Business Day after ten (10) Calendar Days following the Class Year Study Start Date immediately following the above-described Class Year decision and settlement period.

The ISO will provide notice of the Expedited Deliverability Study start date by (1) sending notice of the start date to those registered through the ISO to be on the distribution lists for the NYISO Operating Committee and its subcommittees; and (2) posting notice of the Expedited Deliverability Study start date.

In order to become eligible to enter an Expedited Deliverability Study, a Developer must (1) elect to enter the Expedited Deliverability Study by providing notice to the ISO by the Expedited Deliverability Study start date; (2) must have satisfied the data submission requirements set forth in Section 23.4.5.7.3.6 of the ISO Services Tariff required for Class Year Projects requesting CRIS in a Mitigated Capacity Zone and have such data submission deemed complete by the ISO by the Expedited Deliverability Study start date; and (3) must be in service or have completed one of the following, as applicable: a Class Year Study for ERIS, a System Impact Study under the Small Generator Interconnection Procedures, or a utility interconnection study if the facility is not subject to the ISO interconnection procedures under Attachments X and Z. A Project that satisfies the eligibility requirements for an Expedited Deliverability Study will become a member of the Expedited Deliverability Study if it satisfies the requirements of Section 25.5.9.2.2 of this Attachment S as it relates to completion of an Expedited Deliverability Study Agreement, submission of the required deposit, and submission of required technical data.

All parties engaged in performing study work as part of the Expedited Deliverability Study are required to use Reasonable Efforts to complete the basic required evaluations in order for the Expedited Deliverability Study to be presented to the NYISO Operating Committee for approval within four (4) months from the date that the ISO confirms receipt of all of the following: (1) the executed Expedited Deliverability Study Agreement; (2) the $30,000

Expedited Deliverability Study deposit required by Section 25.5.9.2.2 of this Attachment S; and (3) the technical data required by Section 25.5.9.2.2 of this Attachment S.

25.5.9.2.2 Expedited Deliverability Study Agreement

As soon as practicable after a Developer has notified the ISO of its request to enter the next Expedited Deliverability Study, the ISO shall tender an Expedited Deliverability Study Agreement in the form of Appendix 2 to this Attachment S. When the ISO tenders an Expedited Deliverability Study Agreement to a Developer, the ISO shall, at the same time, also provide one to the applicable Connecting Transmission Owner. The Expedited Deliverability Study Agreement shall provide that the Developer shall compensate the ISO for the actual cost of the Expedited Deliverability Study. When the ISO tenders the Expedited Deliverability Study Agreement to the requesting Developer, the ISO shall provide to the Developer a non-binding good faith estimate of the cost and timeframe for completing the Expedited Deliverability Study. Within ten (10) Business Days after the ISO tenders the Expedited Deliverability Study Agreement, the Developer shall complete the Expedited Deliverability Study Agreement and deliver the completed agreement to the ISO. Developer shall indicate, in the data form attached to the Expedited Deliverability Study Agreement, the MW level of requested CRIS up to the levels permitted by Section 25.8.1 of this Attachment S. Developer shall, with the completed Expedited Deliverability Study Agreement, deliver to the ISO (1) the required technical data and (2) a study deposit of $30,000. The Developer, ISO and Connecting Transmission Owner shall execute the Expedited Deliverability Study Agreement no later than ten (10) Calendar Days after the ISO confirms receipt of the executed Expedited Deliverability Study Agreement, the required technical data and required deposit from the Developer. The ISO shall provide a copy of the fully executed Expedited Deliverability Study Agreement to the Developer and Connecting

Transmission Owner. The ISO shall invoice the Expedited Deliverability Study Developer on a monthly basis for the work conducted on the Expedited Deliverability Study. Each Developer shall pay an equal share of the actual cost of the combined Expedited Deliverability Study. The Developer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. The ISO shall continue to hold the amounts on deposit in an interest bearing account associated with the Developer until settlement of the final invoice.

25.5.9.2.3 Expedited Deliverability Study Procedures

The ISO shall coordinate the Expedited Deliverability Study and shall utilize existing studies to the extent practicable in performing the Expedited Deliverability Study. The ISO may request additional information from the Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Expedited Deliverability Study. Upon request from the ISO for additional information required for or related to the Expedited Deliverability Study, the Developer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

Within ten (10) Business Days of providing a draft Expedited Deliverability Study report to an Expedited Deliverability Study Developer, the ISO, Connecting Transmission Owner, and Affected System Operator(s) shall meet with the Developer to discuss the results of the Expedited Deliverability Study.

The ISO shall use Reasonable Efforts to complete the study and present the Expedited Deliverability Study report to the Operating Committee within the timeframe set forth in Section 25.5.9.2.1 of this Attachment S; provided, however, an Expedited Deliverability Study report shall not proceed to the Operating Committee between Operating Committee approval of a Class Year Study and commencement of the next Class Year Study. An Expedited Deliverability

Study may not proceed to the Operating Committee until after ten (10) Calendar Days following the completion of the Class Year Study. After Operating Committee approval of the Expedited Deliverability Study report, the Expedited Deliverability Study Developers will be subject to the decision process set forth in Section 25.5.9.2.4.

Before Operating Committee approval of the Expedited Deliverability Study, if the pending Class Year Study proceeds to decision and settlement pursuant to Section 25.8 of this Attachment S and a Class Year Project accepts or rejects a Project Cost Allocation that the ISO determines may impact the deliverability of a Project in the Expedited Deliverability Study, the assumptions used in the Expedited Deliverability Study will be updated before the commencement of the next Class Year Study.

At the request of any Expedited Deliverability Study Developer, or at any time the ISO determines that it will not meet the required timeframe for completing the Expedited Deliverability Study, the ISO shall notify the Expedited Deliverability Study Developer as to the schedule status of the Expedited Deliverability Study. If the ISO is unable to complete the Expedited Deliverability Study within the initial schedule, it shall notify the Expedited Deliverability Study Developer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Upon request, the ISO shall provide the Expedited Deliverability Study Developer supporting documentation, workpapers, and databases or data developed in the preparation of the Expedited Deliverability Study, subject to non-disclosure arrangements consistent with Section 30.13.1.

25.5.9.2.4 Expedited Deliverability Study Decision Process

Within 5 Business Days following approval of the Expedited Deliverability Study by the Operating Committee (such 5 Business Day period to be referred to as the "Expedited Deliverability Study Initial Decision Period"), each Developer in the Expedited Deliverability Study shall provide notice to the ISO, in writing and via electronic mail, stating whether it shall accept (an "Expedited Deliverability Study Acceptance Notice") or not accept (an "Expedited Deliverability Study Non-Acceptance Notice") the Deliverable MW, if any, reported to it by the ISO in the Expedited Deliverability Study report. Failure to notify the ISO by the prescribed deadline as to whether a Developer accepts or rejects its Deliverable MW, if any, will be deemed an Expedited Deliverability Study Non-Acceptance Notice. As soon as practicable following the end of the Expedited Deliverability Study Initial Decision Period, the ISO shall report to all Class Year Developers, in writing and via electronic mail, all of the decisions submitted by Developers in the Expedited Deliverability Study.

At the end of the Expedited Deliverability Study Initial Decision Period, if one or more of the Developers provides an Expedited Deliverability Study Non-Acceptance Notice (such event an "Expedited Deliverability Study Non-Acceptance Event"), the Developer that provided the Expedited Deliverability Study Non-Acceptance Notice will be removed from the then current Expedited Deliverability Study and the ISO shall update the Expedited Deliverability Study results for those remaining Developers in the Expedited Deliverability Study to reflect the impact of the Projects withdrawn from the Expedited Deliverability Study. The revised Expedited Deliverability Study report shall include updated Deliverable MW, if any, and shall be issued within 10 Business Days following the occurrence of an Expedited Deliverability Study Non-Acceptance Event. Each remaining Developer shall be deemed to have accepted its respective Deliverable MW identified in the revised Expedited Deliverability Study report.

25.5.10 Additional SDU Studies

25.5.10.1 Notice of SDUs Requiring Additional Studies

If a new System Deliverability Upgrade is identified (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study), the ISO will notify all members of the ISO's Interconnection Projects Facilities Study Working Group that the ISO has made such a determination, such notice to be provided as soon as practicable after the ISO presents the preliminary Class Year Deliverability Study results to stakeholders and the ISO Operating Committee approves such results. This notice will be referred to as the "Notice of SDUs Requiring Additional Study." At the same time the ISO issues the Notice of SDUs Requiring Additional Study, the ISO will issue a notice to only those Class Year Project Developers for which the ISO has identified System Deliverability Upgrades requiring additional SDU studies. Each Developer to which such notice is issued shall respond to the ISO within 10 Calendar Days to indicate whether it elects to (1) proceed or not proceed with an Additional SDU Study for the identified System Deliverability Upgrades; or (2) pursue one of multiple System Deliverability Upgrade alternatives identified by the ISO, which option Developer elects to be evaluated in the Additional SDU Study. If the Developer does not elect to pursue an Additional SDU Study for required System Deliverability Upgrades, it may only accept or reject its Deliverable MW, if any, in the Class Year Study. If the ISO does not receive the Developer's election by the deadline, the Developer will be deemed to have (1) notified the ISO that it elects to not proceed with an Additional SDU Study for the identified System Deliverability Upgrades; and (2) will only be permitted to accept or reject its Deliverable MW, if any, in the Class Year Study.

25.5.10.2 Additional SDU Studies

If no Class Year Project Developer to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Class Year Study will proceed to the decision and settlement phase set forth in Section 25.8.2 of this Attachment S. Alternatively, if any Class Year Project Developer to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Class Year Study will proceed to the decision and settlement phase set forth in Section 25.8.2 of this Attachment S; however, the Additional SDU Study will be performed separate and apart from the Class Year Study; provided however, pursuant to Section 25.8.2 of this Attachment S, a Developer that elects to proceed with an Additional SDU Study has the option to proceed with the decision and settlement phase with the rest of the Class Year for its SUF Project Cost Allocation and deliverable MW, if any.

If an Additional SDU Study is completed after the Class Year Study is approved by the NYISO Operating Committee but prior to the time that the ISO completes the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study, a Developer that elected to proceed with an Additional SDU Study may proceed to decision and settlement pursuant to Section 25.8.2(2) of this Attachment S.

If a Developer is part of an Additional SDU Study that does not complete in time for the Developer to proceed to decision and settlement pursuant to Section 25.8.2 of this Attachment S, the following provisions apply:

(1) The Developer will be required to enter a subsequent Class Year Study (*i.e.*, a Class Year Study subsequent to the one in which the Additional SDU Study was triggered) if it wishes to obtain an SDU Project Cost Allocation for its requested CRIS.

(2) The Developer's election to enter a subsequent Class Year Study is subject to the applicable entry requirements of Section 25.5.9 and Section 30.8.1 of Attachment X; provided, however, a Developer that elects to enter the first such subsequent Class Year Study (*i.e.*, the first Class Year Study that commences after the Additional SDU Study commences) may provide notice of its election to enter such subsequent Class Year Study on or before completion of the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study.

(3) Election to enter into a subsequent Class Year Study will not constitute one of the two Class Years a Project may enter under Section 25.6.2.3.4 of Attachment S; provided, however, if the Developer enters a subsequent Class Year Study but rejects its SDU Project Cost Allocation for its requested CRIS, such action will constitute one of the two Class Years;

(4) In a subsequent Class Year Study to evaluate the Developer's requested CRIS, the Additional SDU Studies will continue; provided, however, the base case used in the Additional SDU Studies will be updated based on the base case inclusion rules for that Class Year Study determined in accordance with Section 25.5.5.1 of this Attachment S.

If a Developer in Additional SDU Study accepted its SUF Project Cost Allocation pursuant to Section 25.8.2 of this Attachment S prior to the completion of the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study, the Project and its SUF will be included in the Existing System Representation for the subsequent Class Year Study.

For purposes of determining the Class Year Start Date for the next Class Year Study, a Class Year Study is complete on the date upon which the Final Decision Round completes for the Class Year Study decision period commenced in accordance with Section 25.8 of this Attachment S; the date an Additional SDU Study is completed does not impact the Class Year Start Date for the next Class Year Study. The next Class Year Study may commence prior to completion of an Additional SDU Study if the Additional SDU Study has not completed before the Initial Decision Period commences for the Class Year Study in accordance with Section 25.8.2(1) of this Attachment S.

25.6 Class Year Study Cost Allocation Methodology For ERIS

25.6.1 Cost Allocation Between Developers and Connecting Transmission Owners (ATBA)

The cost of System Upgrade Facilities is first allocated between Developers and Connecting Transmission Owners, in accordance with the rules that are discussed below in this Section 25.6.1.

25.6.1.1 The cost of System Upgrade Facilities is allocated between Developers and Connecting Transmission Owners based upon the results of an Annual Transmission Baseline Assessment of the five-year need for System Upgrade Facilities. The Annual Transmission Baseline Assessment, as described in these rules, will be conducted by the ISO staff in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Annual Transmission Baseline Assessment. The ISO and its staff will have decisional control over the entire Annual Transmission Baseline Assessment. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Annual Transmission Baseline Assessment, then the ISO will enter into appropriate contracts with such entities for such input. As it conducts each Annual Transmission Baseline Assessment, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Annual Transmission Baseline Assessment will be reviewed and approved by the Operating Committee. Each

Annual Transmission Baseline Assessment is reviewable by the ISO Board of Directors in accordance with provisions of the Commission-approved ISO Agreement.

25.6.1.1.1 The purpose of the Annual Transmission Baseline Assessment is to identify the System Upgrade Facilities that Transmission Owners are expected to need during the five-year period covered by the Assessment to reliably meet the load growth and changes in the load pattern projected for the New York Control Area, with cost estimates for the System Upgrade Facilities.

25.6.1.1.1.1 Procedure for Annual Transmission Baseline Assessment

The procedure used to identify the System Upgrade Facilities that will ensure that New York State Transmission System facilities are sufficient to reliably serve existing load and meet load growth and changes in load patterns in compliance with NYSRC Reliability Rules, NPCC Basic Design and Operating Criteria, NERC Planning Standards, ISO rules, practices and procedures, and the Connecting Transmission Owner criteria included in FERC Form No. 715 (collectively "Applicable Reliability Requirements"). In order for the ISO to recognize any revisions to Connecting Transmission Owner criteria as Applicable Reliability Requirements under this Attachment S or Applicable Reliability Standards under Attachments X and Z, the Connecting Transmission Owner shall present proposed revisions to such criteria to the Operating Committee or one of its subcommittees. To the extent such revised criteria are not inconsistent with Order No. 2003 or the ISO's interconnection procedures set forth in Attachments S, X and Z to the OATT, the ISO will accept such revised criteria. The procedure will use the Applicable Reliability Requirements in effect when the Annual Transmission Baseline Assessment is commenced. The procedure will be:

25.6.1.1.1.1.1 The ISO staff will first develop the Existing System Representation.

25.6.1.1.1.1.2 The ISO staff will then utilize the Existing System Representation to develop existing system improvement plans with each Transmission Owner. These improvement plans will use ISO data from the annual NYISO Load and Capacity Data Report to project system load growth and changes in load patterns, including those that reflect demand side management, and will identify the System Upgrade Facilities needed year-by-year for the existing system to reliably serve projected load in the Transmission Owner's Transmission District for a five-year period. The ISO staff will integrate these existing system improvement plans into the Annual Transmission Baseline Assessment to ensure that the System Upgrade Facilities needed for a five-year period are identified on a New York State Transmission System-wide basis. The Annual Transmission Baseline Assessment will identify each anticipated System Upgrade Facility project, its estimated cost, its anticipated in-service date, and the status of the project (in construction, budget approval received, budget approval pending).

25.6.1.1.1.1.3 The ISO will identify in the Annual Transmission Baseline Assessment the System Upgrade Facilities needed to reliably meet projected load growth and changes in load pattern without the interconnection of any proposed Developer Projects, except for those proposed Projects included in the Existing System Representation pursuant to Section 25.5.5.

25.6.1.1.1.1.4 ISO staff will perform thermal, voltage, and stability analyses, as appropriate, to determine the normal and emergency transfer capabilities of the

statewide existing system. To the extent local thermal, voltage, and stability analyses were performed during a Large Facility's SRIS, such analyses will be relied upon in the Class Year Study, including the identification of System Upgrade Facilities required to mitigate adverse impacts under the NYISO Minimum Interconnection Standard. Estimates for the cost and timing to construct System Upgrade Facilities identified in the SRIS to mitigate local thermal, voltage or stability issues will be refined in the Class Year Study.

25.6.1.1.1.1.5 ISO staff will rely on the most recent resource reliability analysis of the existing system. If no Reliability Needs are required under the study assumptions used in the most recent resource reliability analysis, the existing system will be deemed to meet Applicable Reliability Requirements for purposes of the Class Year Study.

25.6.1.1.1.1.6 If the transmission and generation facilities included in the Existing System Representation, combined with previously approved and accepted System Upgrade Facilities, are insufficient to meet Applicable Reliability Requirements on a year by year basis, then the ISO staff will develop feasible generic solutions that satisfy the Applicable Reliability Requirements, in accordance with Section 25.6.1.2, below.

25.6.1.1.1.1.7 If the existing system meets Applicable Reliability Requirements, the ISO staff will perform short circuit analysis to determine whether there is sufficient interrupting capability in the existing system. If there are any breaker overloads, the ISO staff will determine the System Upgrade Facilities needed to mitigate the short circuit overloads.

25.6.1.1.1.1.8 A reassessment of Sections 25.6.1.1.1.1.4 through 25.6.1.1.1.1.6 shall be reassessed and, to the extent required by Good Utility Practice, repeated if the improvement plan impacts the transmission transfer capability of the system. The results of the short circuit analysis will be treated in the same manner as the results of thermal, voltage and stability analyses for all purposes under these cost allocation rules.

25.6.1.1.1.1.9 Each Annual Transmission Baseline Assessment conducted by ISO staff will be reviewed and approved by the Operating Committee, and its effectiveness will be subject to the approval of the Operating Committee. In its report to the Operating Committee, the ISO shall explain its reasons for all of its recommendations.

25.6.1.1.1.1.10 Each most recently completed Annual Transmission Baseline Assessment will be reviewed the following year by the ISO staff and updated, as necessary, following the criteria and procedures described herein.

25.6.1.2 In developing solutions as required by Section 25.6.1.2.6, the ISO will, as it develops its own generic solutions, also utilize the following procedures.

25.6.1.2.1 The ISO will first select as generic solutions proposed Class Year Developer Projects sufficient to meet Applicable Reliability Requirements on a year by year basis. If a proposed Class Year Developer project is larger than necessary, the ISO shall select that portion or segment of the project that is sufficient to meet but not exceed Applicable Reliability Requirements. If the proposed Developer project is not capable of being segmented or if the Developer

project cannot meet Applicable Reliability Requirements on a year by year basis, the ISO shall not select it.

25.6.1.2.2 If the generation and transmission facilities included in the Existing System Representation, together with any proposed Developer Projects that qualify as solutions pursuant to Section 25.6.1.2.1, above, are not sufficient to meet Applicable Reliability Requirements, the ISO shall complete the development of its own generic solutions, taking into account any generic solutions proposed pursuant to Section 25.6.1.2.3, below, for inclusion in the ATBA.

25.6.1.2.3 Market Participants may also propose generic solutions for inclusion in the ATBA. The Market Participant proposing such solutions shall provide the ISO with all data necessary for the ISO to determine the feasibility of such proposed generic solutions.

25.6.1.2.4 The ISO shall develop and consider alternative sets of proposed generic solutions that fairly represent the range of feasible solutions to Applicable Reliability Requirements.

25.6.1.2.5 The ISO shall determine the feasibility of additional generic solutions developed pursuant to Sections 25.6.1.2.2, 25.6.1.2.3 and 25.6.1.2.3, according to the following criteria:

25.6.1.2.5.1 The ISO shall select only solutions that are based on proven technologies that have actually been licensed and financed, are under construction or have already been built in similar locations.

25.6.1.2.5.2 The ISO shall select as additional generic solutions only facilities that can reasonably be placed in service in time to meet Applicable Reliability Requirements on a year by year basis. In making this determination, the ISO shall consider the size and type of facility, access to fuel, access to transmission facilities, transmission upgrade requirements, construction time, and Good Utility Practice.

25.6.1.2.6 The ISO will submit its proposed generic solutions and the alternatives that it considered to Market Participants and to an independent expert for review and will make the results of the expert's review available to Market Participants. The independent expert shall review the feasibility of the proposed generic solutions developed pursuant to Sections 25.6.1.2.2, 25.6.1.2.3 and 25.6.1.2.3, and of generic solutions based on the segmentation of any Class Year developer Projects under Section 25.6.1.2.1, according to the criteria set forth in Section 25.6.1.2.5.

25.6.1.2.6.1 If the independent expert concludes that one or more generic is not feasible, the ISO shall eliminate that solution from further review.

25.6.1.2.6.2 If the ISO does not adopt the expert's recommendations, it will state in its report to the Operating Committee its reasons for not adopting those recommendations.

25.6.1.2.7 Subject to Section 25.6.1.2.7, below, in the event that more than one generic solution or set of solutions satisfies the feasibility requirement of Section 25.6.1.2.7, the ISO shall compare the System Upgrade Facilities that would be necessary to interconnect each such generic solution and shall adopt the solution

that is most consistent with Good Utility Practice. For these purposes, in comparing alternative solutions, a generic solution that satisfies sub-load pocket deficiencies shall normally be selected first.

25.6.1.2.7.1 The ISO shall be responsible for determining whether any generic solution or proposed Developer Project meets Applicable Reliability Requirements.

25.6.1.3 With the exception of those upgrades that were previously allocated to, and accepted by Developer Projects as a part of the Annual Transmission Reliability Assessment in the Final Decision Round of previous Class Years, Developers are not responsible for the cost of any System Upgrade Facilities that are identified in the Annual Transmission Baseline Assessment, or any System Upgrade Facilities that resolve in whole or in part a deficiency in the system identified in the Annual Transmission Baseline Assessment.

25.6.1.4 Developers are responsible for 100% of the cost of the System Upgrade Facilities, not already identified in the Annual Transmission Baseline Assessment that are needed as a result of their Projects, and required for their Projects to reliably interconnect to the transmission system in a manner that meets the NYISO Minimum Interconnection Standard. The System Upgrade Facilities necessary to accommodate Developer Projects will be determined by the Interconnection Facilities Studies and the Annual Transmission Reliability Assessment. The criteria and procedures that will be followed to conduct the Annual Transmission Reliability Assessment are discussed below.

25.6.1.4.1 If a Connecting Transmission Owner or Developer elects to construct System Upgrade Facilities that are larger or more extensive than the minimum

facilities required to reliably interconnect the proposed project, and are reasonably related to the interconnection of the proposed project, then the Connecting Transmission Owner or Developer is responsible for the cost of those System Upgrade Facilities in excess of the minimum System Upgrade Facilities required by the Developer Projects. If there is Headroom associated with these larger System Upgrade Facilities and a Developer of any subsequent project interconnects and uses the Headroom within ten years of its creation, such subsequent Developer shall pay the Connecting Transmission Owner or the Developer for this Headroom in accordance with these rules, including Section 25.8.7, below.

25.6.1.5 The System Upgrade Facilities cost for which a Developer is responsible will be determined on a "net" basis; that is, the Developer's System Upgrade Facilities cost will be determined net of the benefits, or System Upgrade Facility cost reductions, that result from the construction and operation of its project and the related upgrades. The net cost responsibility of a Developer will not be less than zero. Also, the cost responsibility of the Connecting Transmission Owner for System Upgrade Facilities will be no greater than it would have been without the Developer's project. Specifically, the Connecting Transmission Owner shall not be required to pay (in total) more than 100% of the cost of installing a specific piece of equipment.

25.6.1.5.1 The purpose of this approach is to allocate to the Developer the responsibility for the cost of the net impact of its project on the needs of the transmission system for System Upgrade Facilities. Thus, a Developer is

responsible for the cost of the System Upgrade Facilities that are required by, or caused by, its project. A Developer is not responsible for the cost of System Upgrade Facilities that would be required anyway, without the construction of its project. If a Developer's project reduces the cost of System Upgrade Facilities that would be required anyway, that beneficial cost reducing impact will be recognized.

25.6.1.5.2 The net System Upgrade Facilities cost and cost reduction benefits of a Developer's project are determined by ISO staff comparing and netting the results of an Annual Transmission Baseline Assessment with the corresponding Annual Transmission Reliability Assessment in accordance with these rules.

25.6.1.5.3 The net System Upgrade Facilities cost and cost reduction benefits of a Developer's project are comprised of those costs and cost reduction benefits caused by (1) the construction of System Upgrade Facilities not contained in the Annual Transmission Baseline Assessment, and (2) eliminating or reducing the need for the construction of System Upgrade Facilities contained in the Annual Transmission Baseline Assessment, due to the construction of System Upgrade Facilities associated with the proposed project.

25.6.1.5.4 The Developer's net cost responsibility will be determined using constant dollars. That is, when netting the cost of System Upgrade Facilities required for its project, as identified in the Annual Transmission Reliability Assessment, with those identified in the Annual Transmission Baseline Assessment, the cost of System Upgrade Facilities in the out-years of the Annual Transmission Baseline Assessment and the out-years of the Annual Transmission Reliability Assessment

will be discounted to a current year value for netting. The cost of out-year System Upgrade Facilities will be discounted to a current value using the weighted average cost of capital of the Connecting Transmission Owner.

25.6.2 Cost Allocation Among Developers (ATRA)

The Developers' share of the cost of System Upgrade Facilities is allocated among Developers based upon the ISO Annual Transmission Reliability Assessment. The Annual Transmission Reliability Assessment will be conducted by ISO staff to ensure New York State Transmission System compliance with Applicable Reliability Requirements. The ISO staff will conduct the Annual Transmission Reliability Assessment, as described in these rules, in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Annual Transmission Reliability Assessment. The ISO and its staff will have decisional control over the entire Annual Transmission Reliability Assessment. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Annual Transmission Reliability Assessment, then the ISO will enter into appropriate contracts with such entities for such input. As it conducts each Annual Transmission Reliability Assessment, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Annual Transmission Reliability Assessment will be reviewed and approved by the Operating Committee. Each Annual Transmission Reliability Assessment is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

25.6.2.1 The Annual Transmission Reliability Assessment for each Class Year will identify the System Upgrade Facilities required for all Class Year Projects, with cost estimates for the System Upgrade Facilities. The System Upgrade Facilities identified through the Annual Transmission Reliability Assessment will only be those System Upgrade Facilities that are not already included in an Annual Transmission Baseline Assessment.

25.6.2.2 For each Annual Transmission Reliability Assessment, the ISO will utilize the Existing System Representation used for the corresponding Annual Transmission Baseline Assessment.

25.6.2.3 Each Annual Transmission Reliability Assessment will update the results of Interconnection System Reliability Impact Studies that have previously been performed for certain proposed Projects.

25.6.2.3.1 Subject to the additional requirements in Sections 25.6.2.3.2 - 25.6.2.3.4, below, a Large Facility is eligible to have its project included in a given Class Year Study (*i.e.,* become a Class Year Project), if on or before the Class Year Start Date (i) the Operating Committee has approved (1) an Interconnection System Reliability Impact Study for the project performed pursuant to Attachment X of the ISO OATT or (2) a System Impact Study for the project performed pursuant to Attachment P to the ISO OATT, and (ii) the regulatory milestone has been satisfied in accordance with Sections 25.6.2.3.1.1, 25.6.2.3.1.2, or 25.6.2.3.1.3; provided, however, in lieu of satisfying a regulatory milestone by the Class Year Start Date, the Large Facility can, on or before the date by which a Developer is required to return a completed Class Year Interconnection Facilities

Study Agreement pursuant to Section 30.8.1 of Attachment X to the OATT, either:

(1) demonstrate that the Developer has obtained for the Project (a) a New York State Energy Research and Development Authority ("NYSERDA") Renewable Portfolio Standard agreement, (b) a NYSERDA Renewable Energy Certificate agreement (c) a NYSERDA Market Acceleration Incentive agreement, or (d) a power purchase agreement for the full output of the Large Facility; or

(2) submit a two-part deposit consisting of $100,000, and $3,000/MW for the requested ERIS of the Large Facility, or the requested ERIS of one or more Generators in a multi-unit Large Facility, for which the Project has not (1) obtained a NYSERDA or power purchase agreements specified above; or (2) satisfied a regulatory milestone set forth in Section 25.6.2.3.1 (*e.g.*, for a Co-located Storage Resource for which the Developer has only satisfied the regulatory milestone for the Energy Storage Resource but not the Intermittent Power Resource, the Developer may submit $100,000 and $3,000/MW for the requested ERIS of the Intermittent Power Resource).

The $100,000 portion of the deposit submitted pursuant to subsection (ii)(2) of this Section 25.6.2.3.1 will be fully refundable if, within twelve months after the Class Year Start Date or the Operating Committee's approval of the Class Year Study, whichever occurs first, the Developer satisfies an applicable regulatory milestone and provides the ISO with adequate documentation that the Large Facility has satisfied an applicable regulatory milestone. The $3,000/MW deposit will be fully refundable upon the earlier of (a) the Large Facility's

satisfaction of an applicable regulatory milestone; (b) the Large Facility's withdrawal from the Class Year Study, to the extent permitted by this Attachment S and by Attachment X to the ISO OATT; (c) the Large Facility's rejection of its Project Cost Allocation for System Upgrade Facilities in a Class Year Study; (d) the Large Facility's withdrawal from the ISO's interconnection queue; or (e) the Large Facility's acceptance of its Project Cost Allocation and posting of Security for System Upgrade Facilities in a Class Year Study. Upon a Large Facility's withdrawal from the ISO's interconnection queue, the $3,000/MW deposit will be fully refundable with interest actually earned. For Class Year 2019, the $3,000/MW deposit will be fully refundable for Projects that satisfy (ii)(1) of this Section 25.6.2.3.1. on or before March 1, 2020. The requirements set forth in this Section 25.6.2.3.1 do not apply to Projects that elect to enter a Class Year Study solely for the purpose of requesting CRIS.

25.6.2.3.1.1 The Developer must obtain or achieve at least one of the regulatory determinations or actions for the Large Facility, including all Generators for a multi-unit Large Facility, described in this Section 25.6.2.3.1.1. To satisfy the regulatory milestone, an applicable regulatory body (*e.g.*, local, state, or federal) must determine that the permitting application submitted to site and construct the Large Facility is complete, as described below:

25.6.2.3.1.1.1 In connection with the Large Facility's air or water permit application, either (i) a notice of determination of completeness mailed to the applicant by the New York State Department of Environmental Conservation ("DEC") pursuant to 6 NYCRR § 621.6(c), as may be amended from time to time,

or public notice of a complete application in the Environmental Notice Bulletin, or (ii) in the absence of such notices, a demonstration that the permit application is deemed to be complete pursuant to 6 NYCRR § 621.6(h), as may be amended from time to time.

25.6.2.3.1.1.2 A negative declaration issued for the Large Facility pursuant to the New York State Environmental Quality Review Act ("SEQRA") by (i) the lead agency if the review is conducted in a coordinated manner or (ii) one of the involved agencies if the review is conducted in an uncoordinated manner pursuant to the implementing regulations for SEQRA in the New York Codes, Rules and Regulations ("NYCRR") at 6 NYCRR Part 617.6(b)(4), as amended from time to time.

25.6.2.3.1.1.3 Under SEQRA, either (i) a determination by the lead agency, documented in minutes or other official records, that the Draft Environmental Impact Statement for the Large Facility is adequate for public review, (ii) a notice of completion of a Draft Environmental Impact Statement for the project issued by the lead agency pursuant to SEQRA, or (iii) public notice of completion in the Environmental Notice Bulletin.

25.6.2.3.1.1.4 A determination pursuant to Article VII that the Article VII application filed for the Class Year Transmission Project or for a transmission portion of the Large Facility is in compliance with Public Service Law §122.

25.6.2.3.1.1.5 A Notice of Availability of a Draft Environmental Impact Statement for the Large Facility filed with the U.S. Environmental Protection

Agency pursuant to the National Environmental Policy Act of 1969 ("NEPA") and its implementing regulations.

25.6.2.3.1.1.6 A final Finding of No Significant Impact for the project issued by the lead agency pursuant to NEPA and its implementing regulations.

25.6.2.3.1.1.7 For a Large Generator that is larger than 25 MW, a determination pursuant to Article 10 of the Public Service Law that the Article 10 application filed for the Large Generator is in compliance with Public Service Law § 164.

25.6.2.3.1.1.8 For a Large Generator, a determination pursuant to Section 94-C(5)(b) of the Executive Law that an application filed for a major renewable energy facility is deemed complete.

25.6.2.3.1.1.9 For a Large Generator that is an offshore wind facility on the outer continental shelf, a construction and operations plan deemed sufficient by the Bureau of Ocean Energy Management for which the Bureau of Ocean Energy Management has issued a Notice of Intent to prepare a Draft Environmental Impact Statement for the Large Facility in accordance with the U.S. Environmental Protection Agency pursuant to the National Environmental Policy Act of 1969 ("NEPA") and its implementing regulations.

25.6.2.3.1.1.10 For a Large Facility with Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades that require an Article VII application, a determination pursuant to Article VII that the Article VII application is in compliance with Public Service Law §122.

25.6.2.3.1.2 A Large Facility located outside New York State will satisfy the regulatory milestone by achieving Section 25.6.2.3.1.1.5 or 25.6.2.3.1.1.6, above,

or by satisfying a milestone comparable to that specified in Section 25.6.2.3.1.1.1 through 25.6.2.3.1.1.4, above, under applicable permitting laws.

25.6.2.3.1.3 In the event that none of the permitting processes referred to in Section 25.6.2.3.1.1 and 25.6.2.3.1.2 apply to the Large Facility, the Large Facility will be considered to have satisfied the regulatory milestone and will qualify for Class Year entry as of the date the Operating Committee approved the Large Facility's Interconnection System Reliability Impact Study.

25.6.2.3.1.4 After a Large Facility's Interconnection System Reliability Impact Study is approved by the Operating Committee and until the ISO confirms that the Large Facility has satisfied the regulatory milestone, the Developer must inform the ISO upon request, whether or not the Large Facility has satisfied the regulatory milestone described above. A project Developer must inform the ISO within ten (10) Business Days of the ISO's request for such information.

25.6.2.3.2 A project must satisfy the applicable regulatory milestone in Section 25.6.2.3.1.1, above, within six (6) months after the date the ISO tenders to the project Developer the Standard Large Generator Interconnection Agreement for the project pursuant to Section 30.11.1 of Attachment X to the ISO OATT.

25.6.2.3.3 If a project fails to satisfy the regulatory milestone within the time period set forth in Section 25.6.2.3.2 of this Attachment S, the Interconnection Request of the project will be deemed to be withdrawn in accordance with Section 30.3.6 of the Large Facility Interconnection Procedures contained in Attachment X.

25.6.2.3.4 Once a project has an Operating Committee-approved SRIS or the ISO has determined the project is required to enter a Class Year Study pursuant to

Attachment Z, then the project may enter up to two, but no more than two, of the next three consecutive Class Year Studies. The first Class Year with a Class Year Start Date after the date the Operating Committee approves a project's Interconnection System Reliability Impact Study will count as the first of the three consecutive Class Year Studies. For purposes of this Section 25.6.2.3.4, a Class Year that a project enters and from which it later withdraws for ERIS evaluation pursuant to Section 25.7.7.1 or 25.6.2.3.3 of this Attachment S or Section 30.8.1.2 of Attachment X, counts as one of the two Class Years a project may enter.

25.6.2.3.4.1 Except as provided in Section 25.6.2.3.4.3, the project must accept its System Upgrade Facilities cost allocation and post required security for Energy Resource Interconnection Service from a Class Year ATRA that is no later than the first to occur of either (i) the second Class Year ATRA the project enters, or (ii) the third consecutive Class Year that starts after the project satisfies the eligibility criteria for inclusion in the Class Year ATRA. If the project fails to accept its System Upgrade Facilities cost allocation and post security by this deadline, the Interconnection Request of the project will be deemed to be withdrawn in accordance with Section 30.3.6 of the Large Facility Interconnection Procedures contained in Attachment X.

25.6.2.3.4.2 Except as provided in Section 25.6.2.3.4.3, below, if a project has not accepted its System Upgrade Facilities cost allocation and posted required security for Energy Resource Interconnection Service from either the first or second Class Year that starts after the project satisfies the eligibility criteria for

inclusion in the Class Year ATRA and has not entered both the first and second such Class Year ATRA, then the project must enter the third Class Year ATRA (by satisfying the Class Year entry requirements set forth in Section 25.5.9 of this Attachment S and Section 30.8.1 of Attachment X). If the developer fails to do so within the timeframes specified in Attachments X or Z, as applicable, the Interconnection Request of the project will be deemed to be withdrawn in accordance with Section 30.3.6 of the Large Facilities Interconnection Procedures contained in Attachment X.

25.6.2.3.4.3 A project that was a member of a completed Class Year but did not accept its System Upgrade Facilities cost allocation and post any required security as of January 17, 2010 will be able to enter any one of the three consecutive Class Year ATRAs starting after that date. If the project enters one of these Class Year ATRAs and fails to accept its System Upgrade Facilities cost allocation and post required security, the Interconnection Request of the project will be deemed to be withdrawn in accordance with Section 30.3.6 of the Large Facility Interconnection Procedures. If the project has not entered either the first or second such Class Year, then the project must enter the third Class Year ATRA (by satisfying the Class Year entry requirements set forth in Section 25.5.9 of this Attachment S and Section 30.8.1 of Attachment X). If the Developer fails to do so within the timeframes specified in Attachments X or Z, as applicable, the Interconnection Request of the project will be deemed to be withdrawn in accordance with Section 30.3.6 of the Large Facilities Interconnection Procedures.

25.6.2.4 The Annual Transmission Reliability Assessment will update Interconnection System Reliability Impact Study results in accordance with the Class Year Interconnection Facilities Study procedures in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

25.6.2.5 For Projects included in each Annual Transmission Reliability Assessment, the Interconnection System Reliability Impact Study updated results will specify the impact of each project in the Class Year on the reliability of the transmission system, that is, the pro rata contribution of each project in the Class Year to each individual System Upgrade Facilities identified in the updates.

25.6.2.5.1 In the case of a new System Upgrade Facility that has a functional capacity not readily measured in amperes or other discrete electrical units, such as a System Upgrade Facility dedicated to system protection, the pro rata impact of each project in the Class Year on the reliability of the transmission system will be based upon the number of Projects in the Class Year contributing to the need for the new System Upgrade Facility. The pro rata impact of each project in the Class Year needing such a new System Upgrade Facility will be equal. Accordingly, the pro rata contribution of each of the Projects to the need for the new System Upgrade Facility will be equal to (1/a), where "a" is the total number of Projects in the Class Year needing the new System Upgrade Facility.

25.6.2.5.2 In the case of a new System Upgrade Facility that has a capacity readily measured in amperes or other discrete electrical units, the impact of each project in the Class Year will be stated in terms of its pro rata contribution to the total electrical impact on each individual System Upgrade Facility in the Class Year of

all Projects that have at least a *de minimus* impact, as described in Section 25.6.2.6.1 of these rules. The contribution to electrical impact will be measured in various ways depending on the nature of the transmission problem primarily causing the need for the individual System Upgrade Facility.

25.6.2.5.2.1 Contribution to short circuit current for interrupting duty beyond the rating of equipment.

25.6.2.5.2.2 Contribution to MW loading on the critical element for thermal overloads under the test conditions that cause the need for a System Upgrade Facility. MW contribution will be calculated by multiplying the associated distribution factor by the declared maximum MW of the project. The distribution factor is calculated by pro rata displacement of New York System load by the added generation.

25.6.2.5.2.3 Contribution to voltage drop on the most critical bus for voltage problems. A critical bus will be defined as representative for voltage conditions during a specific contingency. The pro rata impact of each project is measured as the ratio of the voltage drop at the critical bus caused by the project when none of the other Projects are represented, to the voltage drop at the critical bus when all of the Projects in the Class Year are represented.

25.6.2.5.2.4 Contribution to transient stability problems as measured by the fault current calculated for the most critical stability test that is causing the need for the System Upgrade Facility.

25.6.2.6 For each individual electrical impact standard listed in subsections 6.(a)(1) through 6.(a)(4) below, a Developer will not be responsible for the cost associated with a corresponding System Upgrade Facility if its project's contribution is less

than the *de minimus* impacts defined below. The costs of Projects that would otherwise have been allocated to certain Developer's Projects but for the sub-*de minimus* impact exemption, shall be allocated 100 percent to the other Developers in the Class Year according to their pro rata contribution.

25.6.2.6.1 *De minimus* impact is defined in terms of any one of the factors listed below in this subsection. Examples of computations used to determine *de minimus* impact are shown in ISO Procedures.

25.6.2.6.1.1 **Short Circuit Contribution**: Equal to or greater than 100 amperes of the existing rating of the equipment that needs to be replaced.

25.6.2.6.1.2 **Thermal Loadings**: Equal to or greater than 10 MW on the most limiting monitored element under the most critical contingency that is causing the need for transmission improvements.

25.6.2.6.1.3 **Voltage Effects**: Equal to or greater than 2% of the voltage drop occurring with all Class Year Projects at the most critical bus.

25.6.2.6.1.4 **Stability Effects**: Equal to or greater than 100 amperes of the fault current for the most critical stability test that is causing the need for the System Upgrade Facility.

25.6.2.7 The pro rata contribution of each project in the Class Year to each of the System Upgrade Facilities identified in the Annual Transmission Reliability Assessment.

25.6.2.7.1 First, in accordance with Section 25.6.1.5 of these rules, the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment is compared and netted with the total cost of System Upgrade

Facilities identified in the Annual Transmission Baseline Assessment. If the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment does not exceed the total cost of System Upgrade Facilities identified in the Annual Transmission Baseline Assessment, then there is no cost to be allocated among Class Year Developers.

25.6.2.7.2 If the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment does exceed the total cost of System Upgrade Facilities identified in the Annual Transmission Baseline Assessment by some amount, then this amount ("Overage Cost") is a cost to be allocated among Class Year Developers. Appendix One to this Attachment S sets out an example of an allocation of Overage Cost among Class Year Developers.

25.6.2.7.3 The Overage Cost represents a percentage of the total cost of System Upgrade Facilities identified in the Annual Transmission Reliability Assessment ("Overage Cost Percentage").

25.6.2.7.4 Each System Upgrade Facility identified in the Annual Transmission Reliability Assessment has a cost specified for it in the Annual Transmission Reliability Assessment.

25.6.2.7.5 The pro rata contribution of each project in the Class Year to a System Upgrade Facility identified in the Annual Transmission Reliability Assessment represents a percentage contribution to the need for that System Upgrade Facility ("Contribution Percentage").

25.6.2.7.6 An individual Developer's pro rata responsibility for the cost of each System Upgrade Facility identified in the Annual Transmission Reliability

Assessment is the product of (a) the Overage Cost Percentage; (b) the Developer's Contribution Percentage for the particular System Upgrade Facility; and (c) the cost of the particular System Upgrade Facility as specified in the Annual Transmission Reliability Assessment.

25.6.2.7.7 If the least cost solution identified is to install one System Upgrade Facility (*e.g.*, a series reactor) rather than replacing a number of System Upgrade Facilities (*e.g.*, breakers), the ISO staff will determine each Developer's Contribution Percentage by calculating what each Developer's pro rata contribution would have been on the System Upgrade Facilities not replaced (*e.g.*, breakers) and applying that percentage to the System Upgrade Facility that is installed (*e.g.*, series reactor).

25.7 Deliverability Studies and Cost Allocation Methodology for CRIS

25.7.1 Class Year Deliverability Study and Non-Class Year Expedited Deliverability Study

A Developer requesting CRIS for a Project larger than 2 MW may elect to enter either a Class Year Study or an Expedited Deliverability Study; provided however, a Developer may not be evaluated in both studies simultaneously (i.e., a Developer with CRIS being evaluated in a Class Year Study may not enter an Expedited Deliverability Study for evaluation of the same CRIS request until the Class Year Study has completed. A Developer with CRIS being evaluated in an Expedited Deliverability Study may not enter a Class Year Study for evaluation of the same CRIS request until the Expedited Deliverability Study has completed). A Class Year Study deliverability evaluation first evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS. If a Project is not deliverable for its full amount of requested CRIS, the Class Year Study proceeds to identify and cost allocate System Deliverability Upgrades required to make the Project fully deliverable for the full amount of requested CRIS. An Expedited Deliverability Study only evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS; it does not identify or cost allocate System Deliverability Upgrades. A Developer evaluated in an Expedited Deliverability Study and deemed undeliverable at its full amount of requested CRIS may (1) enter the next Open Class Year Study to obtain a Project Cost Allocation for required System Deliverability Upgrades; or (2) enter into a subsequent Expedited Deliverability Study or Class Year Study with the same or different CRIS request.

25.7.1.1 Cost Allocation Among Developers in a Class Year

Each Project in a Class Year Deliverability Study ("Class Year CRIS Project") will share in the then currently available deliverability capability of the New York State Transmission System, and will also share in the cost of any System Deliverability Upgrades required for its Project to qualify for CRIS at the requested level. The total cost of the System Deliverability Upgrades required for all the Projects in the Class Year will be allocated among the Projects in the Class Year based on the pro rata impact of each Class Year CRIS Project on the deliverability of the New York State Transmission System, that is, the pro rata contribution of each Project in the Class Year Deliverability Study to the total cost of each of the System Deliverability Upgrades identified in the Class Year Deliverability Study. In addition to this allocation of cost responsibility for System Deliverability Upgrades among the Projects in a Class Year, the cost of certain Highway System Deliverability Upgrades will be shared with Load Serving Entities and subsequent Developers, as described below in Section 25.7.12 of these rules.

25.7.1.2 Expedited Deliverability Study

The Expedited Deliverability Study shall be performed concurrently for all Projects that meet the entry requirements set forth in Section 25.5.9.2.1 of this Attachment S as a combined Expedited Deliverability Study.

25.7.2 Categories of transmission facilities

For purposes of applying the NYISO Deliverability Interconnection Standard, transmission facilities comprising the New York State Transmission System will be categorized as either Byways or Highways or Other Interfaces.

25.7.2.1 Byways

The Developer of a Class Year CRIS Project will pay its pro rata share of one hundred percent (100%) of the cost of the System Deliverability Upgrades to any Byway needed to make the Class Year CRIS Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Byway or Byways will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Class Year Deliverability Study.

The Transmission Owner(s) responsible for constructing a System Deliverability Upgrade on a Byway shall request Incremental TCCs with respect to the System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. A Developer paying to upgrade a Byway will receive the right to accept any Incremental TCCs awarded by the ISO in proportion to its contribution to the total cost of the System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; provided, however, that a Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Developer's proportionate share is zero. If a Developer elects to accept its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, the Developer shall be the Primary Holder of such Incremental TCCs. If a Developer declines an award of its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed reserved to the extent necessary to facilitate the potential for transfers to subsequent

Developers that pay for the use of Headroom pursuant to this Attachment S on a System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by a Developer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 25.8.7.4 of this Attachment S.

A Developer paying to upgrade a Byway will be eligible to receive Headroom payments in accordance with these rules. A subsequent Developer paying for use of Headroom on a System Deliverability Upgrade on a Byway will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; provided, however, that a subsequent Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the subsequent Developer's proportionate share is zero. If a Developer that initially paid for a System Deliverability Upgrade on a Byway elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental TCCs, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Developer that initially paid for the System Deliverability Upgrade in

proportion to the Headroom payments received by such Developer from the subsequent Developer making such Headroom payments. If a Developer that initially paid for a System Deliverability Upgrade on a Byway declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Developer that initially paid for the System Deliverability Upgrade from the subsequent Developer making such Headroom payments. If a subsequent Developer elects to accept its proportionate share of any Incremental TCCs, the subsequent Developer shall be the Primary Holder of such Incremental TCCs; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Developer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a System Deliverability Upgrade on a Byway, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

25.7.2.2 Highways

The Developer of a Class Year CRIS Project will pay an allocated share of the cost of the System Deliverability Upgrades to any Highway needed to make the Class Year Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Highway or Highways, and the Developer's allocated share of the cost of those System Deliverability Upgrades, will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Class Year Deliverability Study.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall request Incremental TCCs with respect to the Highway System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. A Developer paying for Highway System Deliverability Upgrades will receive the right to accept any Incremental TCCs awarded by the ISO, in proportion to its contribution to the to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that a Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the subsequent Developer's proportionate share is zero. If a Developer elects to accept its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, the Developer shall be the Primary Holder of such Incremental TCCs. If a Developer declines an award of its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed

reserved to the extent necessary to facilitate the potential for transfers to subsequent Developers that pay for the use of Headroom pursuant to this Attachment S on a Highway System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by a Developer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a Highway System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the Highway System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 25.8.7.4 of this Attachment S.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall also be awarded, and be the Primary Holder of, any Incremental TCCs related to the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities pursuant to Section 25.7.12 of this Attachment S, in proportion to the contribution of the Load Serving Entities to the to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that no Incremental TCCs will be awarded to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade for the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities if the whole number value determined by the ISO for the Load Serving Entities' proportionate share is zero.

A Developer paying for a Highway System Deliverability Upgrade will be eligible to receive Headroom payments in accordance with these rules to the extent that it pays for System Deliverability Upgrade capacity in excess of that required to provide the requested level of CRIS and Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S, the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade will be eligible to receive any and all Headroom payments related to the System Deliverability Upgrade in accordance with these rules on behalf, and for the benefit, of the Load Serving Entities that funded a portion of the System Deliverability Upgrade.

A subsequent Developer paying for use of Headroom on System Deliverability Upgrades will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the Highway System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; provided, however, that a subsequent Developer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Developer's proportionate share is zero. If: (i) a Developer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the

Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S; and (iii) the Developer elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental TCCs, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Developer that initially funded the System Deliverability Upgrade in proportion to the Headroom payments received by such Developer from the subsequent Developer making such Headroom payments. If: (i) a Developer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S; and (iii) the Developer declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Developer that initially paid for the System Deliverability Upgrade from the subsequent Developer making such Headroom payments. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 25.7.12 of this Attachment S, any Incremental TCCs that a subsequent Developer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the System Deliverability Upgrade. If a subsequent Developer elects to accept its proportionate share of any Incremental

TCCs, the subsequent Developer shall be the Primary Holder of such Incremental TCCs; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Developer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a Highway System Deliverability Upgrade, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

25.7.2.3 Other Interfaces

If the Class Year CRIS Project degrades the transfer capability of any one of the Other Interfaces below the transfer capability identified in the current ATBA, then the Developer will pay its pro rata share of one hundred percent (100%) of the cost of the System Deliverability Upgrades needed to restore the transfer capability of the Other Interfaces degraded by its proposed Project to what the transfer capability of those Other Interfaces would have been without its Project, as that transfer capability was measured in the current ATBA. Where two or more Projects would cause degradation of an Other Interface's transfer capability, the cost of the necessary System Deliverability Upgrades to restore the original transfer capability of the

interface shall be shared on a pro rata basis, based on the MW of degradation that each Project would cause.

25.7.3 Capacity Regions

The deliverability test will be applied within each of the four (4) Capacity Regions: (1) Rest of State (i.e., Load Zones A through F); (2) Lower Hudson Valley (i.e., Load Zones G, H and I); (3) New York City (i.e., Load Zone J); and (4) Long Island (i.e., Load Zone K). To be declared deliverable a generator or Class Year Transmission Project must only be deliverable, at its requested CRIS MW, throughout each of the Capacity Regions in which the Project is interconnected or is interconnecting, or, if requesting CRIS for External-to-ROS Deliverability Rights, throughout the Rest of State Capacity Region. For example, starting with Class Year 2012, a proposed generator or Class Year Transmission Project from an external Control Area interconnecting in the Rest of State Capacity Region (i.e., Load Zones A-F) will be required to demonstrate deliverability throughout the Rest of State Capacity Region (i.e., Load Zones A-F), but will not be required to demonstrate deliverability to or within any of the following Capacity Regions: Lower Hudson Valley (i.e., Load Zones G, H and I); New York City (i.e., Load Zone J); or Long Island (i.e., Load Zone K). Starting with Class Year 2023, a proposed Class Year Transmission Project internal to the NYCA that is requesting CRIS for UDRs must be deliverable both throughout the Capacity Region to which it proposes to inject Energy and throughout the Capacity Region from which is proposes to withdraw Energy. For example, a Class Year Transmission Project that proposes to withdraw Energy from the Rest of State Capacity Region (i.e., Load Zones A-F) and inject Energy into New York City (i.e., Load Zone J) must demonstrate deliverability throughout the Rest of State Capacity Region and demonstrate deliverability throughout the New York City Capacity Region.

25.7.4 Participation in Capacity Markets

A Developer, in order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, must obtain CRIS pursuant to the procedures set forth in this Attachment S. A Developer must enter a Class Year Deliverability Study or Expedited Deliverability Study in order to obtain CRIS, unless otherwise provided for in this Attachment S. The MW amount of CRIS requested by a Developer, stated in MW of Installed Capacity ("ICAP"), cannot exceed the MW levels specified in Sections 25.8.1 of this Attachment S. All requests for CRIS must be in tenths of a MW. The ISO will perform the Class Year Deliverability Study and Expedited Deliverability Study in accordance with these rules and with input of Market Participants, to determine the deliverability of the Projects requesting CRIS in each study. The Expedited Deliverability Study will only determine the extent to which the Project is deliverable at the full amount of requested CRIS. The Class Year Deliverability Study will determine deliverability at the full amount of requested CRIS and, if not deliverable, will identify and allocate the cost of the System Deliverability Upgrades needed to make deliverable each Class Year CRIS Project. In order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, a Developer must be found fully deliverable at the requested CRIS level in an Expedited Deliverability Study or, in a Class Year Study, either (1) accept its deliverable MW in a Class Year Study or Expedited Deliverability Study; or (2) fund or commit to fund, in accordance with these rules, the System Deliverability Upgrades needed for its Project to be deliverable at the requested level of CRIS.

25.7.5 The Pre-Existing System

Where the Existing System Representation demonstrates deliverability issues, a Developer electing CRIS need only address the incremental deliverability of its CRIS request, not the deliverability of the pre-existing system depicted in the Existing System Representation. Likewise, Transmission Owners will not be responsible for curing any pre-existing issues related to the deliverability of generators.

25.7.6 CRIS Values

Through a Class Year Study, a Developer may elect no CRIS, partial CRIS, or full CRIS for its Project by satisfying the applicable sections of this Attachment S. Through an Expedited Deliverability Study, a Developer may elect CRIS or partial CRIS to the extent its requested CRIS is deliverable pursuant to the NYISO Deliverability Interconnection Standard.

Each Project qualifying for CRIS will have two CRIS values per Project: one for the Summer Capability Period and one for the Winter Capability Period. For Projects comprised of multiple Generators, the Project's CRIS, subject to the maximum permissible requested CRIS pursuant to Section 25.8.1 of this Attachment S, shall be allocated among the multiple Generators, and shall be allocated among the multiple Generators, as requested by Developer (to the extent permissible under Section 25.8.1 of this Attachment S). The Project's CRIS and allocation of CRIS among its units, as applicable, will be specified by ISO in the Class Year Deliverability Study report approved by the ISO Operating Committee.

The Project's CRIS value for the Summer Capability Period will be set using the deliverability test methodology and procedures described below. Through the Winter Capability Period 2017/2018, the Project's CRIS value for the Winter Capability Period will be set at a value that will maintain the same proportion of CRIS to ERIS as the Project has for the Summer

Capability Period. For Winter Capability Periods beyond 2017/2018, the Project's CRIS value for the Winter Capability Period will be determined by the applicable process below:

25.7.6.1 Winter CRIS will be calculated as follows:

Winter CRIS MW = (Summer CRIS MW x Maximum Net Output at 10 degrees Fahrenheit)/Maximum Net Output at 90 degrees Fahrenheit

Where:

Maximum Net Output at 10 degrees Fahrenheit = the Project's maximum net output at 10 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve; and

Maximum Net Output at 90 degrees Fahrenheit = the Project's maximum net output at 90 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve.

25.7.6.1.1 For facilities with Summer CRIS as of December 16, 2017, the following additional provision applies: For such facilities for which there is an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be calculated using such temperature curve, provided the capability represented by the curve does not exceed the Project's ERIS. For facilities for which there is not an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be set equal to the Project's Summer CRIS unless the Project provides a temperature curve to the ISO by December 16, 2017, that the ISO subsequently determines is acceptable.

25.7.6.1.2 For facilities first obtaining Summer CRIS on or after December 16, 2017, the Winter CRIS will be determined using the most recent temperature curve provided to and accepted by the ISO, either during the interconnection process or at the time the Summer CRIS is first obtained.

25.7.6.2 Upon an increase to a Project's Summer CRIS pursuant to a permissible increase in Summer CRIS under Section 25.9.4 of this Attachment S, Attachment X, Section 30.3.2.6 or Attachment Z, Section 32.4.11.1 (increases in CRIS not requiring a Class Year Study) or pursuant to an increase in Summer CRIS evaluated in a Class Year Study for which a Developer accepts its Project Cost Allocation for System Deliverability Upgrades and posts Security therefore (if applicable) or accepts its Deliverable MWs, the Winter CRIS will be determined using the formula set forth in Section 25.7.6 (i), wherein the Summer CRIS MW will be the increased Summer CRIS MW.

25.7.7 Deliverability Study Procedures

25.7.7.1 Class Year Deliverability Study Procedures

The ISO staff will conduct the Class Year Deliverability Study, as described in these rules, in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Class Year Deliverability Study. The ISO and its staff will have decisional control over the entire Class Year Deliverability Study. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Class Year Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study, including but not limited to SRIS deliverability analyses performed pursuant to Section 30.7.3.2 and 30.7.4.2 of Attachment X to the OATT. As it conducts each Class Year Deliverability Study, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee or an Operating Committee subcommittee to ensure that all

affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Class Year Deliverability Study will be reviewed and approved by the Operating Committee, when the Operating Committee approves the ATRA for the same Class Year. Each Class Year Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

Starting with Class Year 2019, if the ISO determines that an Additional SDU Study is required pursuant to Section 25.5.10 of this Attachment S, ISO will notify all Class Year Projects that such Additional SDU Study will be conducted, such notice to be provided as soon as practicable after the ISO receives notice from Developers in response to the Notice of SDU Requiring Additional Study.

25.7.7.2 Expedited Deliverability Study Procedures

The ISO staff will conduct the Expedited Deliverability Study, as described in these rules in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Expedited Deliverability Study. The ISO and its staff will have decisional control over the entire Expedited Deliverability Study. If, at any time, the ISO staff decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Expedited Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study, including but not limited to SRIS deliverability analyses performed pursuant to Section 30.7.3.2 and 30.7.4.2 of Attachment X to the OATT. As it conducts each Expedited Deliverability Study, the ISO staff will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating

Committee or an Operating Committee subcommittee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Expedited Deliverability Study will be reviewed and approved by the Operating Committee. Each Expedited Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

25.7.8 Deliverability Test Methodology for Highways and Byways

25.7.8.1 Definition of NYCA Deliverability

The NYCA transmission system shall be able to deliver the aggregate of NYCA capacity resources to the aggregate of the NYCA load under summer peak load conditions. This is accomplished, in the Class Year Study, through ensuring the deliverability of each Class Year CRIS Project, in the Capacity Region(s) where the Project interconnects. This is accomplished, in the Expedited Deliverability Study, through ensuring the deliverability of each Class Year CRIS Request, in the Capacity Region where the Project interconnects.

25.7.8.2 NYCA Deliverability Testing Methodology

25.7.8.2.1 Class Year Study

25.7.8.2.1.1 The current Class Year ATBA, developed in accordance with ISO Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the following:

All Class Year CRIS Projects will be evaluated on an aggregate Class Year basis. Deliverability will be determined through a shift from generation to

generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

25.7.8.2.1.2 Each entity requesting External CRIS Rights will request a certain number of MW to be evaluated for deliverability pursuant to Section 25.7.11 of this Attachment S. The MW of an entity requesting External CRIS Rights will not be derated for the deliverability analysis.

25.7.8.2.1.3 Each Developer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 25.8.1 of this Attachment S. The MW requested by a Developer will represent Installed Capacity, and will be derated for the deliverability analysis, as set forth in this Section 25.7.8.2.1.3. The CRIS MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Developer-selected duration (i.e., its expected maximum injection capability in MW hours for the Developer-selected duration). The CRIS MW requested by a Class Year Transmission Project seeking UDRs will represent Installed Capacity at the point of injection. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

Facilities requesting CRIS and existing facilities with CRIS will be modeled in the deliverability analysis at MW levels described herein. A derated generator capacity incorporating availability is used. This derated generator capacity is calculated for each resource using a UCAP Deration Factor ("UCDF").

The UCDF used is an average value based on historical performance on a Capacity Region basis, as determined in accordance with ISO Procedures. The UCDF for all generators that are not Intermittent Power Resources (resources that are not Intermittent Power Resources include Energy Storage Resources) or Limited Control Run of River Hydro is the average EFORd. All generators that are not Intermittent Power Resources or Limited Control Run of River Hydro in the same Capacity Region will use the same UCDF. The UCDF for Intermittent Power Resources and Limited Control Run of River Hydro will be calculated based on historical production data by resource type in accordance with ISO Procedures.

Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; provided however, that if the Project includes load reduction, the load reduction would not impact the UCDF of the Project. The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the ATBA, the UCDF will be applied to their CRIS level.

The CRIS MW requested by a Class Year Transmission Project or held by an existing facility with UDRs will not be derated at the point of injection (*i.e.*, sink) for the deliverability analysis. However, the withdrawal capability (*i.e.*, source) of such a facility that is internal to the NYCA will be modeled in the deliverability analysis at the MW of CRIS plus losses of the facility expected to occur at its CRIS injection level, in the manner set forth in Section 25.7.8.2.1.13.

Existing CRIS that will be modeled in the Class Year Study shall include: existing CRIS for facilities not being evaluated in the Class Year Study regardless of outage state, unless (1) that CRIS will expire no later than 12 months (*i.e.*, 365 Calendar Days) after the Class Year Start Date, except where the facility has provided notice of a proposed CRIS transfer anticipated to be finalized no later than 12 months (*i.e.*, 365 Calendar Days) of the Class Year Start Date; or (2) the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration. For purposes of this Section 25.7.8.2.1.3, "existing CRIS" for Projects that have undergone a prior Class Year Study deliverability evaluation is CRIS obtained upon completion of a Class Year Study through which the Developer accepted its deliverable MW or accepted its Project Cost Allocation and posted Security for System Deliverability Upgrades, as applicable. For Projects that undergo an Expedited Deliverability Study deliverability evaluation, "existing CRIS" is CRIS that is obtained upon completion of an Expedited Deliverability Study through which the Developer was deemed to have accepted its deliverable MW in an Expedited Deliverability Study completed prior to the Class Year Study Start Date.

25.7.8.2.1.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty ("LFU") from the most recent base case IRM and applying it to load.

25.7.8.2.1.5 Deliverability base case conditioning steps will be consistent with those used for the Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

25.7.8.2.1.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the Reliability Planning Process studies.

25.7.8.2.1.7 The NYISO will monitor all transmission facilities that are part of the New York State Transmission System.

25.7.8.2.1.8 When either the voltage or stability transfer limit of an interface calculated in the ATBA is more binding than the calculated thermal transfer limit, then the lower of the ATBA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

25.7.8.2.1.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the grandfathered import contract rights listed in Attachment E to the Installed Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) beginning with Class Year 2008 and in subsequent Class Years, the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the OATT, (v) in Class Year 2008 and 2009, 1090 MW of imports made over the Quebec (via Chateauguay) interface, and (vi) beginning with Class Year 2010 and in subsequent Class Years, any External CRIS Rights awarded pursuant to Section 25.7.11 of this Attachment S, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Class Year Deliverability Study, until, as of the Class Year Start Date, the time available to

renew the External CRIS Rights has expired, as described in Section 25.9.3.2.2 of this Attachment S.

25.7.8.2.1.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

25.7.8.2.1.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than demand in the Capacity Region, additional external resources are included in the model.

25.7.8.2.1.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the OATT.

25.7.8.2.1.13 Deliverability testing will proceed as follows - The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. All elements that are part of the New York State Transmission System within the Capacity Region will be monitored. For a Class Year Transmission Project seeking UDRs, the MW of requested CRIS plus losses of the facility at the point of withdrawal are modeled

as negative generation in the Capacity Region (*i.e.*, as a proxy generating facility withdrawing power from the New York State Transmission System in the Capacity Region.) If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU) then the generation excess, considering generator derate factors described in Section 25.7.8.2.2 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of capacity that is assigned CRIS status and the overload mitigation.

25.7.8.2.1.14 For Highway interfaces, the generators or Class Year Transmission Projects in a Class Year, whether or not they are otherwise deliverable, will not be considered deliverable if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent of the transfer capability identified in the ATBA and results in an increase to the NYCA LOLE determined for the ATBA of .01 or more. The Class Year CRIS Projects causing the degradation will be responsible, on a pro rata basis, for restoring transfer capability only to the extent their aggregate degradation of transfer capability, compared to that in the ATBA, would not occur but for the Class Year CRIS Projects.

25.7.8.2.2 Expedited Deliverability Study

25.7.8.2.2.1 The current Class Year ATRA, developed in accordance with ISO Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the

following: All Expedited Deliverability Study Projects will be evaluated on an aggregate Expedited Deliverability Study basis. Deliverability will be determined through a shift from generation to generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

25.7.8.2.2.2 Each Developer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 25.8.1 of this Attachment S. The MW requested by a Developer will represent Installed Capacity, and will be derated for the deliverability analysis, as set forth in this Section 25.7.8.2.2.2. The CRIS MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Developer-selected duration (i.e., its expected maximum injection capability in MW hours for the Developer-selected duration). The CRIS MW requested by a Class Year Transmission Project seeking UDRs will represent Installed Capacity at the point of injection. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

Facilities requesting CRIS and existing facilities with CRIS will be modeled in the deliverability analysis at MW levels described herein. A derated generator capacity incorporating availability is used. This derated generator capacity is calculated for each resource using a UCAP Deration Factor ("UCDF"). The UCDF used is an average value based on historical performance on a Capacity Region basis, as determined in accordance with ISO Procedures. The

UCDF for all generators that are not Intermittent Power Resources (resources that are not Intermittent Power Resources include Energy Storage Resources) or Limited Control Run of River Hydro is the average EFORd. The UCDF for Intermittent Power Resources and Limited Control Run of River Hydro will be calculated based on historical production data by resource type in accordance with ISO Procedures. Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; provided however, that if the Project includes load reduction, the load reduction would not impact the UCDF of the Project.

The CRIS MW requested by a Class Year Transmission Project or held by an existing facility with UDRs will not be derated at the point of injection (*i.e.*, sink) for the deliverability analysis. However, the withdrawal capability (*i.e.*, source) of such a facility that is internal to the NYCA will be modeled in the deliverability analysis at the MW of CRIS plus losses of the facility expected to occur at its CRIS injection level, in the manner set forth in Section 25.7.8.2.2.13.

The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the ATRA, the UCDF will be applied to their CRIS level.

25.7.8.2.2.3 CRIS that will be modeled in the Expedited Deliverability Study shall include: (1) existing CRIS, including CRIS obtained in a previous Expedited Deliverability Study, for facilities not being evaluated in the instant Expedited Deliverability Study, regardless of outage state, unless (i) the CRIS will expire no later than four months (*i.e.*, 120 Calendar Days) after the Expedited Deliverability

Study Start Date, except where the facility has provided notice of a proposed CRIS transfer anticipated to be finalized no later than four months (*i.e.*, 120 Calendar Days) after the Expedited Deliverability Study Start Date; or (ii) the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration; and (2) CRIS requested by Projects in the Class Year Study(ies) pending during the Expedited Deliverability Study. For purposes of this section 25.7.8.2.2.3, "existing CRIS" is CRIS that has not expired and CRIS that has been obtained by Projects through Attachment S. For Projects that undergo a Class Year Study deliverability evaluation, "existing CRIS," is CRIS obtained, upon completion of a Class Year Study through which the Developer accepted deliverable MW or accepted its Project Cost Allocation and posted Security for System Deliverability Upgrades, as applicable. For Projects that undergo an Expedited Deliverability Study deliverability evaluation, "existing CRIS," is CRIS obtained, upon completion of an Expedited Deliverability Study through which the Developer was deemed to have accepted its deliverable MW.

25.7.8.2.2.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty ("LFU") from the most recent base case IRM and applying it to load.

25.7.8.2.2.5 Deliverability base case conditioning steps will be consistent with those used for the Comprehensive Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

25.7.8.2.2.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the NYISO Comprehensive Reliability Planning Process studies.

25.7.8.2.2.7 The ISO will monitor all transmission facilities that are part of the New York State Transmission System.

25.7.8.2.2.8 When either the voltage or stability transfer limit of an interface calculated in the ATRA is more binding than the calculated thermal transfer limit, then the lower of the ATRA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

25.7.8.2.2.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the grandfathered import contract rights listed in Attachment E to the Installed Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the OATT, (v) any External CRIS Rights awarded pursuant to Section 25.7.11 of this Attachment S, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Class Year Deliverability Study, until, as of the Expedited Deliverability Study start date, the time available to renew the External CRIS Rights has expired, as described in Section 25.9.3.2.2 of this Attachment S.

25.7.8.2.2.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

25.7.8.2.2.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than demand in the Capacity Region, additional external resources are included in the model.

25.7.8.2.2.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the OATT.

25.7.8.2.2.13 Deliverability testing will proceed as follows - The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. For a Class Year Transmission Project seeking UDRs, the MW of requested CRIS plus losses of the facility at the point of withdrawal are modeled as negative generation in the Capacity Region (*i.e.*, as a proxy generating facility withdrawing power from the New York State Transmission System in the Capacity Region.) All elements that are part of the New York State Transmission System within the Capacity Region

will be monitored. If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU) then the generation excess, taking into account generator derate factors described in Section 25.7.8.2.2 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of partial CRIS, if any, for the applicable Projects in the Expedited Deliverability Study.

25.7.8.2.2.14 For Highway interfaces, the Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable, will not be considered deliverable if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent of the transfer capability identified in the ATRA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

25.7.9 Deliverability Test Methodology for Other Interfaces

25.7.9.1 Class Year Deliverability Test Methodology for Other Interfaces

The generators or Class Year Transmission Projects in a Class Year, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent of the transfer capability of the Other Interface identified in the ATBA. Each Developer will be responsible for its pro rata Class Year share of one hundred percent (100%) of the cost of System Deliverability Upgrades needed to restore transfer capability on the Other Interfaces impacted by the Class Year CRIS Projects but only to the

extent that the degradation of transfer capability on the Other Interfaces, compared to that measured in the current Class Year ATBA, would not occur but for the aggregate impact of the Class Year Projects. Where two or more Projects contribute to the degradation of the transfer capability of an Other Interface, each Project Developer shall pay for a share of the required System Deliverability Upgrades based on its contribution to the degradation of the transfer capability. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Class Year Study.

25.7.9.2 Expedited Deliverability Study Test Methodology for Other Interfaces

The Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent of the transfer capability of the Other Interface identified in the ATBA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

25.7.10 Deliverability of External Installed Capacity

External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to-ROS Deliverability Rights or External CRIS Rights will be subject to the deliverability test in Section 25.7.8 and 25.7.9 of this Attachment S, but not as a part of the Class Year Deliverability Study. As described in detail in Section 5.12.2 of the Services Tariff, the deliverability of External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to ROS Deliverability Rights or External CRIS Rights will be evaluated separately as a part of the annual process under the Services Tariff that sets import

rights for the upcoming Capability Year, to determine the amount of External Installed Capacity that can be imported to the New York Control Area.

25.7.11 CRIS Rights For External Installed Capacity

An entity, by following the procedures and satisfying the requirements described in this Section 25.7.11, may obtain External CRIS Rights. While the External CRIS Rights are in effect, External Installed Capacity associated with External CRIS Rights is not subject to (1) the deliverability determination described above in Section 25.7.10 of this Attachment S, (2) the annual deliverability determination applied in the import limit setting process described in Section 5.12.2.2 of the Services Tariff, or (3) to the allocation of import rights described in ISO Procedures.

25.7.11.1 Required Commitment of External Installed Capacity

An entity requesting External CRIS Rights for a specified number of MW of External Installed Capacity must commit to supply that number of MW of External Installed Capacity for a period of at least five (5) years ("Award Period"). The entity's commitment to supply the specified number of MW for the Award Period may be based upon either an executed bilateral contract to supply ("Contract Commitment"), or based upon another kind of long-term commitment ("Non-Contract Commitment"), both as described herein.

25.7.11.1.1 Contract Commitment

An entity making a Contract Commitment of External Installed Capacity must have one or more executed bilateral contract(s) to supply a specified number of MW of External Installed Capacity ("Contract CRIS MW") to a Load Serving Entity or Installed Capacity Supplier for an Award Period of at least five (5) years. The entity must have ownership or contract control of

External Installed Capacity to fulfill its bilateral supply contract throughout the Award Period, and that otherwise satisfies ISO requirements.

25.7.11.1.1.1 The bilateral supply contract(s) individually or in the aggregate, must be for all months of the Summer Capability Periods over the term of the bilateral supply contract(s), but need not include any of the months of the Winter Capability Periods over that term. The entity seeking External CRIS Rights must specify which, if any, months of the Winter Capability Period it will supply External Installed Capacity under the bilateral supply contract(s) ("Specified Winter Months").

25.7.11.1.1.2 The bilateral supply contract(s) must be for the same number of MW for all months of the Summer Capability Periods ("Summer Contract CRIS MW") and the same number of MW for all Specified Winter Months ("Winter Contract CRIS MW"). The Winter Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

25.7.11.1.1.3 An entity holding External CRIS Rights under a Contract Commitment must certify the bilateral supply contract for every month of the Summer Capability Periods and all Specified Winter Months for the applicable Contract CRIS MW. The Summer Contract CRIS MW must be certified for every month of the Summer Capability Period, and the Winter Contract CRIS MW must be certified for every Specified Winter Month (if any).

25.7.11.1.2 Non-Contract Commitment

An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed number of MW of External Installed Capacity for every month of the

commitment, as described below, in the ISO Installed Capacity auctions for an Award Period of at least five (5) years. The entity must have ownership or contract control of External Installed Capacity to fulfill its Non-Contract Commitment throughout the Award Period.

25.7.11.1.2.1 The Non-Contract Commitment must be made for all months of the Summer Capability Periods over the term of the Award Period, but need not include any months in the Winter Capability Periods. The entity must identify the Specified Winter Months, if any, of the Winter Capability Periods for which it will make the commitment.

25.7.11.1.2.2 The commitment must be for the same number of MW for each month of the Summer Capability Period ("Summer Non-Contract CRIS MW"), and the same number of MW for all Specified Winter Months ("Winter Non-Contract CRIS MW"). The Winter Non-Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

25.7.11.1.2.3 An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed capacity (a) in at least one of the following NYCA auctions: the Capability Period Auction, the Monthly Auction or the ICAP Spot Market Auction, or (b) through a certified and scheduled Bilateral Transaction (as such terms not defined in this Attachment S are defined in the Services Tariff). The Summer Non-Contract CRIS MW must be offered for every month of the Summer Capability Period, and the Winter Non-Contract CRIS MW must be offered for every Specified Winter Month (if any).

25.7.11.1.2.4 Notwithstanding other capacity mitigation measures that may apply, the offers to sell Installed Capacity into an auction submitted pursuant to this Non-

Contract Commitment will be subject to an offer cap for each month of the Summer Capability Periods and each Specified Winter Month. This offer cap will be determined in accordance with the provisions contained in Section 5.12.2.4 of the Services Tariff.

25.7.11.1.3 Failure to Meet Commitment

If an entity fails to certify or offer the full number of Contract CRIS MW or Non-Contract CRIS MW in accordance with the terms stated above, in Sections 25.7.11.1.1 and 25.7.11.1.2, the entity shall pay the ISO an amount equal to 1.5 times the Installed Capacity Spot Auction Market Clearing Price for the month in which either the capacity under Non-Contract Commitment was not offered or the Contract Commitment to supply ICAP was not certified ("Supply Failure"), times the number of MW committed under the Non-Contract or Contract Commitment but not offered.

25.7.11.1.3.1 Within a given Award Period and each subsequent renewal of an Award Period pursuant to Section 25.9.3.2.2 herein, for the first three instances of a Supply Failure, no additional actions will be taken. Upon the fourth instance within the Award Period or the fourth instance within a subsequent renewal period of a Supply Failure, the associated External CRIS Rights will be terminated in their entirety with no ability to renew. Entities that had External CRIS Rights terminated may reapply for External CRIS in accordance with Section 25.7.11.1.4.2 below. Nothing in this Section 25.7.11.1.3 shall be construed to limit or diminish any provision in the Market Power Mitigation Measures or the Market Monitoring Plan.

25.7.11.1.4 Obtaining External CRIS Rights

An entity making a Contract Commitment or Non-Contract Commitment of External Installed Capacity may obtain External CRIS Rights for a specified number of MW of External Installed Capacity in one of two different ways, either (i) by converting MW of grandfathered deliverability rights over the External Interface with Quebec (via Chateauguay), or (ii) by having its specified MW of External Installed Capacity evaluated in a Class Year Deliverability Study, both as described herein.

25.7.11.1.4.1 One-Time Conversion of Grandfathered Rights. An entity can request to convert a specified number of MW pursuant to the conversion process established in Section 5.12.2.3 of the Services Tariff.

25.7.11.1.4.2 Class Year Deliverability Study. An entity may seek to obtain External CRIS Rights for its External Installed Capacity by requesting that its External Installed Capacity be evaluated for deliverability in the Open Class Year. To make such a request an entity must provide to the ISO a completed External CRIS Rights Request stating whether it is making a Contract Commitment or Non-Contract Commitment, the number of MW of External Installed Capacity to be evaluated, and the specific External Interface(s). The first Class Year Deliverability Study to evaluate requests for External CRIS Rights will be that for Class Year 2010. After the ISO receives a completed External CRIS Rights Request, an entity making a Contract Commitment or Non-Contract Commitment that satisfies the requirements of Section 25.7.11.1 of this Attachment S will be eligible to proceed, as follows:

25.7.11.1.4.2.1 The entity is made a Class Year Project when the ISO receives the entity's executed Class Year Interconnection Facilities Study Agreement for External Installed Capacity and all required data and the full deposit.

25.7.11.1.4.2.2 The entity's MW of External Installed Capacity covered by its bilateral contract(s) or, in the case of a Non-Contract Commitment the number of MW committed by the entity, are evaluated for deliverability within the Rest of State Capacity Region. The entity's External Installed Capacity is not subject to the NYISO Minimum Interconnection Standard. The ISO will determine whether the requests for External CRIS Rights within a given Class Year exceed the import limit, established pursuant to ISO procedures, for the applicable External Interface that is in effect on the Class Year Start Date when combined, to the extent not already reflected in the import limit, with the following: (1) awarded External CRIS Rights at the same External Interface, (2) Grandfathered External Installed Capacity Agreements listed in Attachment E of the ISO Installed Capacity Manual at the same External Interface, and (3) the Existing Transmission Capacity for Native Load listed for New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT (applies to the PJM interface only) ("Combined Total MW"). In addition to the other requirements stated herein, External CRIS Rights will only be awarded to the extent that the Combined Total MW does not exceed the import limit, as described above.

25.7.11.1.4.2.3 The Class Year Deliverability Study report will include an SDU Project Cost Allocation and a Deliverable MW number for the entity's External Installed Capacity.

25.7.11.1.4.2.4 The entity will have the same decision alternatives as other Class Year Projects participating in the Deliverability Study only. That is, the entity may either (a) accept its SDU Project Cost Allocation, (b) decline its SDU Project Cost Allocation and accept its Deliverability MW figure, or (c) decline both its SDU Project Cost Allocation and its Deliverable MW. If the entity does decline both its SDU Project Cost Allocation and its Deliverable MW, the entity's External Installed Capacity will be removed from the Class Year Deliverability Study. Once removed from the then current Class Year Deliverability Study, the entity can request for its External Installed Capacity to be evaluated again for deliverability in a subsequent Class Year Deliverability Study that is open at the time of its request.

25.7.11.1.4.2.5 If the entity accepts its SDU Project Cost Allocation, it must fund, or commit to fund the SDU upgrades, like any other Class Year Project.

25.7.11.1.4.2.6 If the entity accepts its SDU Project Cost Allocation and funds or commits to fund the SDU upgrades as required by this Attachment S, the entity must also 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 the SDUs.

25.7.11.1.4.2.7 By the end of the Initial Decisional Period (i.e., 30 days from Operating Committee approval of the Class Year Deliverability Study), an entity making a Contract Commitment and accepting either its SDU Project Cost Allocation or Deliverable MW quantity, must provide specific contract and resource information to the ISO. Unless entities are supplying External Installed

Capacity as Control Area System Resources, requests for External Installed Capacity shall be resource-specific. Entities are permitted to substitute resources located in the same External Control Area. Such substitutions shall be subject to review and approval by ISO consistent with ISO Procedures and deadlines specified therein.

25.7.11.1.4.2.8 If the entity satisfies the requirements described in this Section 25.7.11.1.4, the entity will obtain External CRIS Rights for the number of MW determined to be deliverable, made deliverable through an SDU (with an accepted SDU Project Cost Allocation), or deemed deliverable through a commitment to pay for an SDU.

25.7.12 Cost Allocation for Highway System Deliverability Upgrades

25.7.12.1 If the portion of the Highway System Deliverability Upgrades (measured in MW) required to make one or more CRIS Projects in a Class Year deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, each Developer(s) of a Class Year CRIS Project(s) will be responsible for its pro rata Class Year share of one hundred percent (100%) of the cost of the System Deliverability Upgrades.

25.7.12.2 If the portion of the System Deliverability Upgrades required to make one or more CRIS Projects in a Class Year deliverable is less than 90% of the total size (measured in MW) of the Highway System Deliverability Upgrade, the Developer(s) will be required to pay or commit to pay for a percentage share of the total cost of the Highway System Deliverability Upgrades equal to the estimated percentage megawatt usage by the Class Year CRIS Project of the total

megawatts provided by the System Deliverability Upgrades. Other generators or Class Year Transmission Projects in the current Class Year Deliverability Study may share in the cost of these System Deliverability Upgrades, on the same basis. Projects in the current Class Year Deliverability Study will not be allocated all of the cost of these System Deliverability Upgrades. The rest of the cost of these System Deliverability Upgrades will be allocated to Load Serving Entities and subsequent Developers, as described in this Section 25.7.12. The Developer may either (1) make a cash payment of its proportionate share of the upgrade, which will be held by the Connecting Transmission Owner and Affected Transmission Owner(s) in interest-bearing account(s); or (2) post Security (as defined in this Attachment S) meeting the commercially reasonable requirements of the Connecting Transmission Owner and Affected Transmission Owner(s) for the Developer's proportionate share of the cost of the upgrade. The amount(s) of cash or Security that a Developer must provide to its Connecting Transmission Owner and any Affected Transmission Owners will be included in the Class Year Deliverability Study report. If the Developer chooses to provide Security, its allocated cost will be increased by an annual construction-focused inflation index. The Developer will update its Security on an annual basis to reflect this increase. Except for this adjustment for inflation, the cost allocated to the Developers will not be increased if the estimated cost of the Highway System Deliverability Upgrade increases. However, the costs allocated to subsequent Developers will be based on a current cost estimate of the Highway System Deliverability Upgrade project.

25.7.12.3 If requesting CRIS, the generator or Class Year Transmission Project will be considered deliverable, and eligible to become a qualified Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, as applicable and subject to eligibility requirements in the ISO Procedures, when the Project associated with the CRIS request is in service, provided the Developer has paid its share of the total cost of System Deliverability Upgrades necessary to support the requested CRIS level, or made a satisfactory commitment to do so. Highway System Deliverability Upgrades--where the System Deliverability Upgrades are below the 90% threshold discussed in Section 25.7.12.2 above--will be constructed and funded either (i) according to Sections 25.7.12.3.1 and 25.7.12.3.2 below, or (ii) according to Section 25.7.12.3.3 below.

25.7.12.3.1 When a threshold of 60% of the most current cost estimate of the System Deliverability Upgrade has been paid or posted as Security by Developers, the Highway System Deliverability Upgrade will be built by the Transmission Owner that owns the facility to be upgraded. If the facility to be constructed will be entirely new, construction should be completed by the Transmission Owner that owns or controls the necessary site or right of way. If no Transmission Owner(s) has such control, construction should be completed by the Transmission Owner in whose Transmission District the facility would be constructed. If the upgrade crosses multiple Transmission Districts, each Transmission Owner will be responsible for the portion of the upgrade in its Transmission District; and

25.7.12.3.2 The actual cost of the Highway System Deliverability Upgrade project above that paid for by Developers will be funded by Load Serving Entities, using the rate mechanism contained in Schedule 12 of the ISO OATT. Load Serving Entity funding responsibility for the Highway System Deliverability Upgrade will be allocated among Load Serving Entities based on their proportionate share of the ICAP requirement in the statewide capacity market, adjusted to subtract their locational capacity requirements. Provided, however, Load Serving Entities will not be responsible for actual costs in excess of their share of the final Class Year estimated cost of the Highway System Deliverability Upgrade if the excess results from causes, as described in Section 25.8.6.4 of this Attachment S, within the control of a Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade; or

25.7.12.3.3 If the NYISO triggers a transmission project under the Reliability Planning Process, selects a transmission project under the Short-Term Reliability Process, selects a transmission upgrade under the Public Policy Transmission Planning Process, or results in a Regulated Economic Transmission Project being approved under the Economic Planning Process (collectively "CSPP transmission upgrade") and the CSPP transmission upgrade requires construction of a transmission facility that provides the same or greater transfer limit capability as the Highway facility identified as a Highway System Deliverability Upgrade to be constructed earlier than would be the case pursuant to Section 25.7.12.3.1, the CSPP transmission upgrade will be constructed as determined in the CSPP or the Short-Term Reliability Process, as applicable. Funds collected from Developers

(pursuant to Section 25.7.12.2, above) will be used to cover a portion of the regulated solution costs to the extent that the funds collected from Developers were collected for System Deliverability Upgrades that are actually constructed by the regulated solution. To the extent this is true, these funds originally collected (or posted as Security) for System Deliverability Upgrades will be used as an offset to the total CSPP transmission upgrade cost, with the remainder of the upgrade cost to be allocated per the requirements of the CSPP, as set forth in Section 31.5 of Attachment Y to the ISO OATT, or the Short-Term Reliability Process, as set forth in Section 38.22 of Attachment FF to the ISO OATT.

To the extent funds collected from Developers for System Deliverability Upgrades are insufficient to cover the entire cost of the CSPP transmission upgrades, the Developers' contribution to the System Deliverability Upgrades allocated to the CSPP transmission upgrades will not exceed the Developers' respective Project Cost Allocations for the System Deliverability Upgrade. To the extent funds collected from Developers for System Deliverability Upgrades exceed the cost of the CSPP transmission upgrades, the funds collected for the System Deliverability Upgrades will be allocated to the CSPP transmission upgrade pro rata with the Developers' contribution to the System Deliverability Upgrades, and excess funds or Security for System Deliverability Upgrades above the cost of the CSPP transmission upgrade will be returned to the Developers.

25.7.12.4 If a Developer has accepted its Project Cost Allocation, before construction of an identified System Deliverability Upgrade for a Highway is commenced, if a Developer elects to be retested for deliverability it may request

to be placed in the then Open Class Year. The Developer's cost responsibility for System Deliverability Upgrades shall not increase as a result of such retesting. It may decrease or be eliminated. If the Developer's Project is found to be deliverable without the System Deliverability Upgrades previously identified, the Developer's Security posting will be terminated, or the Developer's cash payment will be returned with the interest earned.

25.7.12.5 When the Highway System Deliverability Upgrades are placed in to Commercial Operation and any resulting Incremental TCCs related to the Highway System Deliverability Upgrade become effective in accordance with Section 19.2.4 of Attachment M of the ISO OATT, a Developer electing to receive its proportionate share of such Incremental TCCs, as further described in Section 25.7.2.2 of this Attachment S, will receive its proportionate share of such Incremental TCCs.

25.7.12.5.1 Load Serving Entities required by this Section 25.7.12 to fund a portion of the costs of a Highway System Deliverability Upgrade will receive the corresponding financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade, as further described in Section 25.7.2.2 of this Attachment S. The corresponding financial value of any such Incremental TCCs will be accounted for in determining the applicable Highway Facilities Charge in accordance with Schedule 12 of the ISO OATT. The eligibility of the Load Serving Entities to the financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the

Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade shall commence as of the date such Incremental TCCs become effective in accordance with Section 19.2.4 of Attachment M to the OATT and continue until the earlier of: (i) the expiration of any such Incremental TCCs; or (ii) the termination of the obligation of the Load Serving Entities to fund a portion of the costs of the Highway System Deliverability Upgrade.

25.7.12.6 As new generators and Class Year Transmission Projects come on line and use the Headroom on System Deliverability Upgrades created by a prior Highway System Deliverability Upgrade, the Developers of those new facilities will reimburse the prior Developers or will compensate the Load Serving Entities who funded the System Deliverability Upgrades for use of the Headroom created by the prior Developers and Load Saving Entities in accordance with Sections 25.8.7 and 25.8.8 of these rules.

25.7.12.6.1 In accordance with Section 25.7.2.2 of this Attachment S, as subsequent Developers make Headroom payments to prior Developers and if a subsequent Developer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Developers; provided, however, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Developer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Developer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs.

25.7.12.6.2 In accordance with Section 25.7.2.2 of this Attachment S, as subsequent Developers compensate Load Serving Entities for use of their Headroom by providing any such Headroom payments to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade and if a subsequent Developer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Developer.

25.7.12.7 The Transmission Owner responsible for constructing a System Deliverability Upgrade or a Developer contributing toward the cost of a System Deliverability Upgrade can elect to construct upgrades that are larger and/or more expensive than the System Deliverability Upgrades identified to support the requested level of CRIS for the Class Year CRIS Project in the Class Year Deliverability Study, provided that those upgrades are reasonably related to the Class Year Project. The party electing to construct the larger upgrade will pay for the incremental cost of the upgrade; i.e., the difference in cost between the cost of the System Deliverability Upgrades as determined by these rules, and the cost of the larger and/or more expensive upgrade.

25.7.13 Engineering, Procurement and Construction Agreement for System Deliverability Upgrades

If a System Deliverability Upgrade on the Connecting Transmission Owner's system is cost allocated to a Developer and such Developer accepts its SDU Project Cost Allocation and fund or commits to fund the System Deliverability Upgrade, the Interconnection Agreement among the Developer, Connecting Transmission Owner and ISO will provide for the engineering, procurement and construction of such System Deliverability Upgrade.

If a System Deliverability Upgrade on an Affected System is cost allocated to a Developer and such Developer accepts its SDU Project Cost Allocation and fund or commits to fund the System Deliverability Upgrade, the Developer and Affected System Operator will cooperate with the ISO in development of an Engineering, Procurement and Construction Agreement to provide for the engineering, procurement and construction of the System Deliverability Upgrades on the Affected System.

If a System Deliverability Upgrade is cost allocated to a Developer or multiple Developers and multiple Developers accept their SDU Project Cost Allocation and fund or commit to fund such System Deliverability Upgrades as required by Attachment S, the Developers, Connecting Transmission Owner(s), and Affected Transmission Owner(s) will cooperate with the ISO in development of an Engineering, Procurement and Construction Agreement to provide for the engineering, procurement and construction of the System Deliverability Upgrades on the Affected System.

The Engineering, Procurement and Construction Agreement shall be consistent with the NYISO's Commission-approved Standard Large Generator Interconnection Agreement located in Appendix 2 to Attachment X of the OATT, modified to address only the engineering, procurement and construction of the System Deliverability Upgrades. The Parties to such agreement will use Reasonable Efforts to complete and execute the agreement, or submit the agreement unexecuted to the Commission, within six (6) months of the ISO's tender of the agreement.

25.8 Project Cost Allocation Decisions

25.8.1 Maximum Requested CRIS and Project Cost Allocation Figures

Starting with the Class Year subsequent to Class Year 2012, each Developer entering a Class Year Study or Expedited Deliverability Study whose Project is not yet In-Service will specify an Interconnection Service evaluation election and provide an updated In-Service Date and Commercial Operation Date (subject to the limitations set forth in Sections 30.3.3.1 and 30.4.4.5 of Attachment X) when it completes a Class Year Study Agreement or Expedited Deliverability Study Agreement. For Large Facilities and Small Generating Facilities that are required to enter a Class Year Study pursuant to Section 32.3.5.3.2 of Attachment Z to the ISO OATT, in the Class Year Study Agreement, must elect to be evaluated for ERIS. Any Project entering a Class Year Study may request CRIS. If the Developer elects to be evaluated for CRIS, the maximum requested MW level of CRIS is as follows:

(i) if the Class Year Project is a BTM:NG Resource, it can elect to be evaluated for ERIS alone, or both ERIS and some MW level of CRIS, not to exceed its Net ICAP;

(ii) if the Class Year Project is a Resource with Energy Duration Limitations, the requested MW level of CRIS cannot exceed the minimum of the following: (a) its expected maximum injection capability in MW for the Developer-selected duration; (b) the nameplate capacity of the Project (i.e., injection capability of the Project expressed in MW); or (c) the sum of the Project's requested and existing ERIS, as applicable;

(iii) if the Class Year Project is a request for External-to-ROS Deliverability Rights, it can request a MW level of CRIS, not to exceed the increase in transfer capability

created by its associated Class Year Transmission Project, as demonstrated in the Project's System Reliability Impact Study.

(iv) if the Class Year Project is a facility comprised of multiple units of the same or different technology type, the requested MW level of CRIS must be requested at the facility level (i.e., corresponding to the Project as described in the Interconnection Request or revised Interconnection Request, as applicable), subject to the limitations below. The MW level of CRIS for a Project comprised of multiple Generators (e.g., Co-located Storage Resource or single technology facility with multiple units, each proposed to be assigned a single PTID) will be determined at the facility (i.e., Project) level and shall be allocated among the multiple Generators, as requested by Developer (to the extent permissible under Section 25.8.1 of this Attachment S). The Project's CRIS and allocation of CRIS among its units, as applicable, will be specified by ISO in the Class Year Deliverability Study report approved by the ISO Operating Committee. The MW level of CRIS requested by the Developer cannot exceed the minimum of the following: (a) the expected maximum injection capability in MW for the Project as described in the Interconnection Request, as revised if applicable, including all co-located Generators sharing the same injection limit (*e.g.*, entire Distributed Energy Resource, entire Co-located Storage Resource or entire multi-unit single technology resource); provided however, if the Project includes a Resource with Energy Duration Limitation, its expected maximum injection capability in MW is limited by the Developer-selected duration); (b) the nameplate capacity of the Project (i.e., collective injection capability of all units within the proposed Project

expressed in MW); or (c) the sum of facility's requested and existing ERIS, as applicable; and

(v) If the above subsections do not apply to the Class Year Project, the requested MW level of CRIS cannot exceed the nameplate capacity of the Project.

If the Class Year Project is existing and/or already interconnected taking ERIS, the Class Year Project will be evaluated for a MW level of CRIS specified by the Developer, not to exceed the permissible levels of CRIS that may be requested pursuant to this Section 25.8.1. For existing facilities proposing a modification to add a Generator of the same or different technology co-located at the same Point of Interconnection for which the Developer requests CRIS, the collective CRIS of the resources within what will be the modified facility (*e.g.*, the resulting Co-located Storage Resource or Distributed Energy Resource) cannot exceed the injection limit of the co-located units. For a Project that requests CRIS for part of a multi-unit facility, after combining with another existing or proposed co-located facility, the requested MW level of CRIS for cannot exceed the permissible levels of CRIS that may have been requested pursuant to this Section 25.8.1 for the entire co-located facility.

Based on the Class Year Project's Interconnection Service evaluation elections, on the Annual Transmission Reliability Assessment update of Interconnection System Reliability Impact Study results, and on the results of the Class Year Deliverability Study, ISO staff shall, in accordance with these rules, provide the Developer of each Project included in the then-current Class Year with a dollar figure for its share of the cost of the System Upgrade Facilities required for reliable interconnection of the Project to the New York State Transmission System ("SUF Project Cost Allocation"). The ISO shall also provide each Class Year Developer requesting CRIS with (i) a dollar figure for its share of the cost of the System Deliverability Upgrades

required for the megawatt level of CRIS requested for the Class Year Project ("SDU Project Cost Allocation"), and (ii) the number of megawatts of Installed Capacity, if any, that are deliverable from the Class Year Project with no new System Deliverability Upgrades ("Deliverable MW"). The ISO shall also provide a dollar figure for the total cost of the System Upgrade Facilities and System Deliverability Upgrades required for interconnection of the Class Year Project, as well as a description of the required System Upgrade Facilities and System Deliverability Upgrades, their expected in-service date, and a plan for their installation that is sufficient to verify these dollar figures. The ISO shall also provide a dollar figure for the total cost of all System Upgrade Facilities required by Projects in the Class Year and a dollar figure for the total cost of the System Deliverability Upgrades necessary to support the level of CRIS requested by each Class Year Developer. Each Class Year Developer will be given the Project Cost Allocation(s) and, Deliverable MW, if any associated with its Interconnection Service evaluation election, as soon as practicable prior to the submittal of the Annual Transmission Reliability Assessment and Class Year Deliverability Study to the Operating Committee.

25.8.2 Decision Periods for Class Year Study and Additional Deliverability Study

Within 30 calendar days following (1) approval of the final Annual Transmission Reliability Assessment and Class Year Deliverability Study by the Operating Committee (collectively the "Class Year Study Reports"); or (2) approval of the final SDU Study report by the Operating Committee when such approval is prior to completion of the Annual Transmission Baseline Assessment study cases for the following Class Year Study, (each such 30 calendar day period to be referred to as the "Initial Decision Period" for the respective study), or within 7 calendar days following the ISO's issuance of a revised Class Year Study report or a revised Additional SDU Study report, as applicable, and accompanying Revised Project Cost Allocation

and revised Deliverable MW report, as defined in and pursuant to Section 25.8.3 (a "Subsequent Decision Period"), if applicable, each Developer shall provide notice to the ISO, in writing and via electronic mail, stating whether it shall accept (an "Acceptance Notice") or not accept (a "Non-Acceptance Notice") the Project Cost Allocation(s) and Deliverable MW, if any, reported to it by the ISO for its Class Year Project. A Developer for a Class Year Project that is a multi-unit facility may not submit separate notices for separate portions of the Class Year Project (*e.g.* a Class Year Project that is a Co-located Storage Resource may not submit an Acceptance Notice for one of its resources and a Non-Acceptance Notice for the co-located resource). Failure to notify the ISO by the prescribed deadline as to whether a Developer accepts or rejects its Project Cost Allocation and Deliverable MW, if any, will be deemed a Non-Acceptance Notice. Each Developer may respond with either an Acceptance Notice or a Non-Acceptance Notice to each Project Cost Allocation and Deliverable MW reported to it by the ISO. Starting with Class Year 2012, an Acceptance Notice for Projects not yet In-Service must also include a confirmed In-Service Date and Commercial Operation Date, subject to the limitations set forth in Section 30.4.4.5 of Attachment X. A Developer in its first Class Year Study that requests to be evaluated for CRIS may accept both its SDU Project Cost Allocation and its SUF Project Cost Allocation. Alternatively, that Developer, if it accepts its SUF Project Cost Allocation, may provide a Non-Acceptance Notice for its SDU Project Cost Allocation and at the same time accept, or not accept its Deliverable MW. Or, as another alternative, that same Developer may elect to interconnect taking ERIS by providing an Acceptance Notice only for its SUF Project Cost Allocation. A Developer that accepts an SUF and/or SDU Project Cost Allocation will not be provided with the option to accept a Revised Project Cost Allocation following a Subsequent

Decision Period unless the Revised Project Cost Allocation provides for (1) an increase in the SUF or the SDU Project Cost Allocation; or (2) a decrease in the Developer's Deliverable MW.

A Developer in an Additional SDU Study that has not completed when the Initial Decision Period for the Class Year Study has commenced may, in the Initial Decision Period or Subsequent Decision Period for the Class Year in which the Additional SDU Study was triggered, (1) accept its SUF Project Cost Allocation and proceed with its Additional SDU Study; (2) reject its SUF Project Cost Allocation and be withdrawn from both the Class Year Study and the Additional SDU Study; or (3) wait until the Initial Decision Period that commences pursuant to this Section 25.8.2 upon completion of the Additional SDU Study to provide an Acceptance Notice or Non-Acceptance Notice for its SUF Project Cost Allocation and SDU Project Cost Allocation; provided however, that pursuant to this Section 25.8.2, no Initial Decision Period will be triggered by an Additional SDU Study that is ongoing at the time the ISO completes the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study. The SUF Project Cost Allocation and any deliverable MW identified in the Class Year Study for a Developer in an Additional SDU Study that elects not to accept its SUF Project Cost Allocation with its Class Year, but that elects to wait until the Initial Decision Period that commences pursuant to this Section 25.8.2 upon completion of the Additional SDU Study, will be revised in light of the final Class Year project cost allocation decisions (i.e., the SUF Cost Allocation and deliverable MW, if any, may change between the Initial Decision Period for the Class Year and the Initial Decision Period for the Additional SDU Study).

As soon as practicable following the end of the Initial Decision Period and any Subsequent Decision Period, as applicable, but not later than two (2) business days following the end of such decision period, the ISO shall report to the Operating Committee, all of the

acceptance Notices and Non-Acceptance Notices that were received during that decision period. Starting with Class Year 2012, consistent with Section 30.4.4.5 of Attachment X, for any Project that fails to provide a confirmed In-Service Date and Commercial Operation Date in its Acceptance Notice or that provides a proposed In-Service Date or Commercial Operation Date with its Acceptance Notice that is beyond the time period permissible by Section 30.4.4.5 of Attachment X, the ISO's Interconnection queue will reflect the latest possible permissible date, even if that requires the ISO to reject and modify the proposed In-Service Date or Commercial Operation Date provided in the Class Project's Acceptance Notice. Subsequent modifications to a Project's In-Service Date or Commercial Operation Date are governed by Section 30.4.4.5.2 of Attachment X.

25.8.2.1 If, following the Initial Decision Period or any Subsequent Decision Period, each and every Developer that remains eligible at that time provides Acceptance Notice(s), each Developer must signify its willingness to pay the Connecting Transmission Owner and Affected Transmission Owner(s) for its share of the required System Upgrade Facilities and System Deliverability Upgrades that it accepted by (i) satisfying Headroom payment/security posting obligations, if any, as specified in Section 25.8.7.6 and (ii) paying cash or posting Security (as hereinafter defined) in accordance with these rules, for the full amount of its respective Project Cost Allocation within 5 business days after the end of the Initial Decision Period or Subsequent Decision Period, as applicable. "Security" means a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the Connecting Transmission Owner and Affected Transmission

Owner(s), meeting the requirements of these cost allocation rules, and meeting the respective commercially reasonable requirements of the Connecting Transmission Owner and Affected Transmission Owner(s). Security shall be posted to cover the period ending on the date on which full payment is made to the Connecting Transmission Owner for the System Upgrade Facilities, and the date(s) on which full payment is made to the Connecting Transmission Owner or Affected Transmission Owner(s) for the System Deliverability Upgrades; provided, however, that Security may be posted with a term as short as one year, so long as such Security is replaced no later than 15 business days before its stated expiration. In the event Security is not replaced as required in the preceding sentence, the Connecting Transmission Owner, or an Affected Transmission Owner in the case of Security for System Deliverability Upgrades, shall be entitled to draw upon the Security and convert it to cash, which cash shall be held by the Connecting Transmission Owner or Affected Transmission Owner for the account of the Developer. The round in which no remaining eligible Developers issue a Non-Acceptance Notice or commits a Security Posting Default shall be the final round for that Class Year or Additional SDU Study (the "Final Decision Round").

25.8.2.2 At the end of the Initial Decision Period or any Subsequent Decision Period, if one or more of the Developers in the Class Year provides Non-Acceptance Notice (such event a "Non-Acceptance Event"), then every Developer in the Class Year shall be relieved of its obligation to pay cash or post Security in connection with that version of its Project Cost Allocation for both System

Upgrade Facilities and System Deliverability Upgrades. In addition, following the Initial Decision Period or any Subsequent Decision Period, if all Developers in the Class Year provide Acceptance Notice under the Class Year Deliverability Study, the ATRA or both, but one or more of the Developers fails to pay cash or post the Security required hereunder (such event a "Security Posting Default"), then the beneficiaries of the payments and Security posted by the Developers that did pay or post Security (e.g., the Connecting Transmission Owners and Affected Transmission Owners) shall surrender the cash and posted Security to the respective Developers immediately. The Connecting Transmission Owners or Affected Transmission Owner(s) shall not make any draws or encumbrances on any cash or posted Security unless and until cash has been paid and Security has been posted by all Developers that issued Acceptance Notices in the Final Decision Round.

25.8.2.3 Following the Initial Decision Period, or any Subsequent Decision Period, if a Non-Acceptance Event or a Security Posting Default shall have occurred with respect to the ATRA, the Developer that provided the Non-Acceptance Notice or committed the Security Posting Default with respect to its SUF Project Cost Allocation will be removed by the ISO from the then current Class Year Study. If a Developer provides an Acceptance Notice and posts the required Security for ifs SUF Project Cost Allocation, or has done so in a prior Class Year, but provides a Non-Acceptance Notice with respect to its SDU Project Cost Allocation, it may provide an Acceptance Notice for its Deliverable MW and interconnect taking CRIS at that level. If the Developer either (i) provides a Non-Acceptance Notice

with respect to both its SDU Project Cost Allocation and its Deliverable MW, or (ii) commits a Security Posting Default with respect to its SDU Project Cost Allocation, then that Developer shall be removed from the Class Year Deliverability Study or Additional SDU Study, as applicable, but, if in the Class Year Study, it may continue to participate in the ATRA and interconnect taking ERIS if it provides an Acceptance Notice and posts the required Security for its SUF Project Cost Allocation. The Developer electing to interconnect taking ERIS may later request, any number of times, to enter a Class Year Study or Expedited Deliverability Study and be evaluated for CRIS, subject to the Class Year Study and Expedited Deliverability Study entry requirements set forth in Section 25.5.9 of this Attachment S. The Developer will not be re-evaluated for ERIS. Once evaluated for CRIS in a later Class Year or Expedited Deliverability Study, the Developer may elect to accept either its SDU Project Cost Allocation or its Deliverable MW, or the Developer may provide a Non-Acceptance Notice for both its SDU Project Cost Allocation and its Deliverable MW and continue its interconnection taking ERIS. If the Developer does provide a Non-Acceptance Notice for both its SDU Project Cost Allocation and Deliverable MW and continues taking ERIS, the Developer may later request to enter a Class Year Study or Expedited Deliverability Study, subject to the Class Year Study and Expedited Deliverability Study entry requirements set forth in Section 25.5.9 of this Attachment S, and be evaluated again for CRIS. If, however, a Developer provides a Non-Acceptance Notice or commits a Security Posting Default for its SUF Project Cost Allocation, that Class Year Project shall be removed from both

the ATRA and, if applicable, the Class Year Deliverability Study, and that Developer's Interconnection Request will be processed further in accordance with Section 25.6.2.3 above.

25.8.2.4 Whenever Projects are removed from an Annual Transmission Reliability Assessment, Class Year Deliverability Study, Additional SDU Study, or Expedited Deliverability Study, ISO staff will notify the remaining Developers still included in the Annual Transmission Reliability Assessment, Class Year Deliverability Study, Additional SDU Study, or Expedited Deliverability Study, as applicable.

25.8.3 Revised Study Results

Immediately following receipt of Non-Acceptance Notices for any SDU Project Cost Allocations or SUF Project Cost Allocations or Deliverable MW, or upon the occurrence of a Security Posting Default, the ISO shall update the Class Year Study results or Additional SDU study results for those remaining Developers that continue to be included in the then-current Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as applicable, to reflect the impact of Non-Acceptance Notices and any Security posting Default. The updated Class Year Study or Additional SDU Study, as applicable, shall include updated SUF Project Cost Allocations and updated SDU Project Cost Allocations (each a "Revised Project Cost Allocation") together with a revised Deliverable MW report. The updated Class Year Study shall be issued as soon as practicable, but in no event later than 14 calendar days following the occurrence of the Non-Acceptance Event or the Security Posting Default that necessitated development of the Revised Project Cost Allocations and revised Deliverable MW report. The ISO shall also provide the additional dollar figures relating to total cost for

Developers in the Class Year Study or Additional SDU Study, as applicable, and the related information, described in Section 25.8.1, above. Following the issuance of the revised Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as applicable, and the issuance of Revised Project Cost Allocations and the revised Deliverable MW, each remaining Developer shall provide notice to the ISO within 7 calendar days whether it will accept its respective Revised Project Cost Allocation and revised Deliverable MW.

25.8.4 Completion of Class Year Decision Process

The process set forth in Sections 25.8.2 through 25.8.3 shall be repeated until none of the remaining eligible Developers in the Class Year Study or Additional SDU Study, as applicable, provides a Non-Acceptance Notice or commits a Security Posting Default.

25.8.5 Forfeiture of Security

With the exception of the requirement that cash and Security shall be surrendered back to the issuing Developer in connection with another Developer's Security Posting Default, once a Developer has accepted the Project Cost Allocation(s) or Revised Project Cost Allocation(s) appropriate for its Interconnection Service election, as the case may be, and paid cash and posted Security or posted Security for that amount, such cash payment and Security shall be irrevocable and shall be subject to forfeiture as provided herein in the event that the Developer that paid cash and posted Security or posted the Security subsequently terminates or abandons development of its Project. Any cash and Security previously posted on a terminated Project will be subject to forfeiture to the extent necessary to defray the cost of the System Upgrade Facilities and System Deliverability Upgrades required for the Projects included in the Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as

applicable, but only as described below. Security for System Upgrade Facilities constructed by the Developer (i.e., for which the Developer elects the option to build), shall be reduced after discrete portions of the System Upgrade Facilities have been completed, such reductions to be based on cost estimates from the Class Year Study, subject to review by the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted, and subject to transfer of ownership to the Connecting Transmission Owner or Affected Transmission Owner, as applicable of all subject property, free and clear of any liens, as well as transfer of title and any transferable equipment warranties reasonably acceptable to the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted. For System Upgrade Facilities constructed by the Connecting Transmission Owner or Affected Transmission Owner, Security shall be reduced after discrete portions of the System Upgrade Facilities have been completed by the Transmission Owner and paid for by the Developer, on a dollar-for-dollar basis for payments made to the Connecting Transmission Owner or Affected Transmission Owner pursuant to an E&P Agreement or Interconnection Agreement, subject to the Connecting Transmission Owner's or Affected Transmission Owner's review and approval.

25.8.6 Developer's Future Cost Responsibility

Once a Developer has accepted a Project Cost Allocation or Revised Project Cost Allocation, as the case may be, in the Final Decision Round and paid cash and posted Security or posted Security for that amount, then the accepted figure caps the Developer's maximum potential responsibility for the cost of System Upgrade Facilities and System Deliverability Upgrades required for its Project, except as discussed below.

25.8.6.1 If the portion of the Highway System Deliverability Upgrades required to make the Developer's generator or Class Year Transmission Project deliverable is

less than 90% of the total size of the Highway System Deliverability Upgrade identified for the Developer's Project, and the Developer elects to commit to pay for its proportionate share of the Highway System Deliverability Upgrade by posting Security instead of paying cash, then the Developer's allocated cost of the Highway System Deliverability Upgrade will be increased during the period of construction deferral by application of a construction inflation adjustment, as discussed in Section 25.7.12.2 of these rules. When deferred construction of the Highway System Deliverability Upgrade commences, the Developer will be responsible for actual costs in excess of the secured amount only when the excess results from changes to the operating characteristics of the Developer's Project. If the portion of the System Deliverability Upgrades for a Highway System Deliverability Upgrade required to make one or more generators or Class Year Transmission Projects in a Class Year deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, construction is not deferred, and those Developers will be responsible for actual costs in excess of the secured amount in accordance with the rules in Sections 25.8.6.2-25.8.6.4 of this Attachment S.

25.8.6.2 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades is less than the agreed-to and secured amount, the Developer is responsible only for the actual cost figure.

25.8.6.3 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades would be greater than the agreed-to and secured amount because other Projects have been expanded, accelerated,

otherwise modified or terminated, including Transmission Projects evaluated pursuant to Attachment P to the OATT and their required upgrades, as identified pursuant to Attachment P to the OATT, then the Developer is responsible only for the agreed-to and secured amount for its Project. The additional cost is covered by the Developers of the modified Projects, in accordance with these cost allocation rules, or by the drawing on the cash that has been paid and the Security that has been posted for terminated Projects, depending on the factors that caused the additional cost. Forfeitable cash and Security will be drawn on only as needed for this purpose, and only to the extent that the terminated Project associated with that Security has caused additional cost.

25.8.6.4 If the actual cost of the Developer's share of required System Upgrade Facilities or System Deliverability Upgrades is greater than the agreed-to and secured amount because of circumstances that are not within the control of the Connecting Transmission Owner or Affected Transmission Owner(s) (such as, for example: (i) changes to the design or operating characteristics of the Project that impact the scope or cost of related System Upgrade Facilities or System Deliverability Upgrades; (ii) any costs that were not within the scope of the Class Year Study or Additional SDU Study, as applicable, that subsequently become known as part of the final construction design, including costs related to detailed design studies such as electro-magnetic transient analyses and subsynchronous resonance analyses; or (iii) cost escalation of materials or labor, or changes in the commercial availability of physical components required for construction), the cost cap shall be adjusted by any such amount and the Developer or the Load

Serving Entity will pay the additional costs to the Connecting Transmission Owner or Affected Transmission Owner(s) as such costs are incurred by each of them. However, to the extent that some or all of the excess cost is due to factors within the control of the Connecting Transmission Owner or the Affected Transmission Owner(s) (such as, for example, additional construction man-hours due to Connecting Transmission Owner or the Affected Transmission Owner(s) management, or correcting equipment scope deficiencies due to Connecting Transmission Owner or the Affected Transmission Owner(s) oversights), then that portion of the excess cost will be borne by the Connecting Transmission Owner or the Affected Transmission Owner(s). Disputes between the Developer and the Connecting Transmission Owner concerning costs in excess of the agreed-to and secured amount will be resolved by the parties in accordance with the terms and conditions of their interconnection agreement. Disputes between the Developer and an Affected Transmission Owner will be resolved in accordance with Section 30.13.5 of the LFIP, or Section 32.4.2 of Attachment Z, as applicable.

25.8.7 Headroom Accounting

If, pursuant to these rules, a Developer, Connecting Transmission Owner, Affected Transmission Owner or Load Serving Entity (each an "Entity") pays for any System Upgrade Facilities or System Deliverability Upgrades, or for any Attachment Facilities or Distribution Upgrades that are later determined to be System Upgrade Facilities or System Deliverability Upgrades, that create "Headroom", and pays for the Headroom that is created, then that Entity will be paid the depreciated cost of that Headroom by the Developer of any subsequent Project that interconnects and uses the Headroom within the applicable period of time following the

creation of the Headroom, as specified in Section 25.8.7.4.3 herein. The ISO will depreciate Headroom cost in accordance with Section 25.8.7.3 herein.

25.8.7.1 Developers of terminated Projects who have paid for Headroom with forfeited cash or Security instruments, as well as Developers of completed Projects who have paid for Headroom, will be repaid in accordance with these rules.

25.8.7.2 The Developer of the subsequent Project shall pay the prior Entity as soon as the cost responsibilities of the subsequent Developer are determined in accordance with these rules. In the case of Headroom created by Load Serving Entity funding Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, the Developer of the subsequent Project shall pay the Connecting Transmission Owner, and any Affected Transmission Owner(s), that are receiving or will receive Load Serving Entity funding for the Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT. Upon receipt of the Developer Headroom payment, the Connecting Transmission Owner and any Affected Transmission Owner(s), will make the rate adjustment(s) called for by Section 6.12.4.1.3 of Schedule 12 of the ISO OATT.

25.8.7.3 The ISO will determine the depreciated cost of the System Upgrade Facilities and/or System Deliverability Upgrades associated with the Entity - created Headroom using one of the following two methods:

25.8.7.3.1 In all cases except the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to comparable

facilities by the Connecting Transmission Owner or the applicable Affected Transmission Owner. The ISO will depreciate the Headroom cost annually, starting with the year when the Headroom account is first established.

25.8.7.3.2 In the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to the particular Highway System Deliverability Upgrades by the Connecting Transmission Owner or the applicable Affected Transmission Owner pursuant to Schedule 12 of the ISO OATT. The ISO will depreciate the Headroom cost annually, starting with the year the Highway System Deliverability Upgrade is placed in service. If a Class Year Deliverability Study or Additional SDU Study determines that a Developer in such study uses Headroom on such a Highway System Deliverability Upgrade before the Highway System Deliverability Upgrade has been placed in service, the ISO will calculate the Headroom use payment obligation of the Developer using the undepreciated cost of the Headroom.

25.8.7.4 Entity-created Headroom will be measured by the ISO in accordance with these rules. The use that a subsequent Project makes of Entity -created Headroom will also be measured by the ISO in accordance with these rules.

25.8.7.4.1 In the case of Headroom on System Upgrade Facilities that have an excess functional capacity not readily measured in amperes or other discrete electrical units, the use that each subsequent Project makes of the Entity-created Headroom will be measured solely by using the total number of Projects in the current and prior Class Years needing or using the System Upgrade Facility.

25.8.7.4.1.1 The use that each Project in a subsequent Class Year makes of Headroom on such a System Upgrade Facility will be measured as an amount equal to (1/b), where "b" is the total number of Projects in all prior and current Class Years using the System Upgrade Facility.

25.8.7.4.1.2 Each Developer in a subsequent Class Year that uses Headroom on such a System Upgrade Facility will make a Headroom payment to all prior Developers that have previously made payments for that System Upgrade Facility, both the prior Developers that have previously made Headroom payments and the Developers in the first Class Year that paid for the original installation of the System Upgrade Facility. The amount of the Headroom payment to each prior Developer that each Developer in a subsequent Class Year must make for its use of Headroom on such a System Upgrade Facility will be an amount equal to c/(b)x(d), where "c" is the depreciated cost of the System Upgrade Facility at the time of the subsequent Class Year Study, "b" is the total number of Projects in all prior and current Class Years using the System Upgrade Facility, and "d" is the total number of Projects in all the prior Class Years that have previously made payments for the System Upgrade Facility, both Headroom payments and payments for original installation.

25.8.7.4.2 In the case of System Upgrade Facilities or System Deliverability Upgrades that have an excess capacity readily measured in amperes or other discrete electrical units, the use the subsequent Project makes of the Entity-created Headroom will be measured in terms of the electrical impact of the

subsequent Project, as that electrical impact is determined by the ISO in accordance with these rules.

25.8.7.4.3 The ISO will publish accounts showing the Headroom for each Developer and other Entities, and will update those accounts to reflect the impact of subsequent Projects. With the exception of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of an Entity when the electrical values in the account are reduced to zero or when ten years have passed since the establishment of the account, whichever occurs first.

25.8.7.4.3.1 In the case of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of the Load Serving Entity when the MW value in the account is reduced to zero, or at the end of the useful financial life of the Highway System Deliverability Upgrades, whichever occurs first.

25.8.7.4.4 If a subsequent Developer uses up all the Headroom of an earlier Entity, and also triggers the need for a new System Upgrade Facility or System Deliverability Upgrade, then the subsequent Developer will pay the Connecting Transmission Owner or Affected Transmission Owner for the new System Upgrade Facility or System Deliverability Upgrade, but will not pay the earlier Entity for the Headroom used up or the account extinguished. However, the earlier Entity will get a new Headroom account and a pro rata share of the Headroom in the new System Upgrade Facility or System Deliverability Upgrade purchased by the subsequent Developer. The economic value of this pro rata

share will be equal to the economic value of the earlier Entity's Headroom account that was extinguished by the subsequent Developer.

25.8.7.5 For Class Years 2001 and 2002, the ISO shall account for Headroom as provided by the Non-Financial Settlement. Developers in Class Year 2002 shall reimburse Class Year 2001 Developers in accordance with the terms of the Non-Financial Settlement.

25.8.7.6 The Developer of the subsequent Project shall pay the prior Entity within the five (5) business day period specified in Section 25.8.2.1 of this Attachment S. Headroom obligations related to a System Upgrade Facility that has been fully constructed must be satisfied by cash payment. Starting with Class Year 2012, all remaining Headroom obligations may be satisfied by a form of "Headroom Security" – a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the prior Entity, meeting the requirements of these cost allocation rules, and meeting the respective commercially reasonable requirements of the prior Entity. Headroom Security shall be posted to cover the period ending on the date on which full payment is made to the prior Entity for the Headroom obligation; provided, however, that Headroom Security may be posted with a term as short as one year, so long as such Headroom Security is replaced no later than fifteen (15) business days before its stated expiration. In the event Headroom Security is not replaced as required in the preceding sentence, the prior Entity shall be entitled to draw upon the Headroom Security and convert it to cash, which cash shall be held by the prior Entity for the account of the Developer.

25.8.8 Headroom Account Adjustments in the ATBA

In addition to the adjustments made by the ISO in Headroom accounts to reflect the impact of subsequent Projects, the ISO will make other adjustments to Headroom accounts when preparing for each Annual Transmission Baseline Assessment. The ISO will make these adjustments to reflect the impact of changes in the Existing System Representation modeled for the Annual Transmission Baseline Assessment that result from the installation, expansion or retirement of generation and transmission facilities for load growth and changes in load patterns. Such changes in the Existing System Representation can also result from changes in these rules or the criteria, methods or, software used to apply these rules.

25.8.8.1 No compensation will be paid as a result of these changes to the Existing System Representation. However, the ISO will adjust the ratios of dollars to electrical values in each Entity's account to maintain the economic value of the Entity's account that existed before the changes were made in the Existing System Representation.

25.8.8.2 The ISO will make no adjustments to Headroom accounts for the impact of subsequent generic solutions, except in those cases where the generic solution is a Class Year Project and the adjustment is made to reflect the impact of the Class Year Project.

25.8.9 Rate Base Facilities

With the exception of Developer use of Headroom created by Load Serving Entity funding of Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, Developers are not charged for their use of any rate base facilities, except to the degree

applicable as customers taking service in accordance with the rates, if any, that apply to those facilities.

25.9 Going Forward

25.9.1 ERIS Election and future Evaluation for CRIS

Whenever a Developer elects to interconnect taking ERIS only, that Developer may, at any later date, ask the ISO to evaluate the Developer's Large Facility or Small Generating Facility for CRIS by including the Developer's Large Facility or Small Generating Facility in (1) the next Open Class Year and the Deliverability Study to be conducted for that Class Year; or (2) the next open Expedited Deliverability Study.

25.9.2 No Developer Responsibility for Future Upgrades

Once a Developer has posted Security for its share of the System Upgrade Facilities required for its project, and paid cash or posted Security for its share of the System Deliverability Upgrades required for its project, then, except as provided in Section 25.8.6 of these rules, that Developer has no further responsibility for the cost of additional Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades that may be required in the future.

25.9.2.1 The Project interconnection agreement executed between a Developer and its Connecting Transmission Owner will reflect the Developer's responsibility for the cost of new Attachment Facilities, Distribution Upgrades and System Upgrade Facilities and System Deliverability Upgrades, as that responsibility has been determined in accordance with these rules.

25.9.2.2 The cost of those additional Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades needed for future interconnection projects will be shared between future Developers and

Transmission Owners, and allocated among future Developers, in accordance with the rules.

25.9.3 CRIS Rights

25.9.3.1 Retaining CRIS Status

Facilities awarded CRIS pursuant to this Attachment S, as allocated among the facilities' individual units, as applicable, will retain such CRIS to the extent specified in Sections 25.9.3.2 and Section 25.9.3.3 of this Attachment S, regardless of subsequent changes to the transmission system or the transfer of facility ownership. Facilities awarded CRIS pursuant to this Attachment S that are withdrawn from the ISO interconnection queue will not receive any CRIS awarded to the facility through that queue position.

25.9.3.2 Full CRIS Termination

Subject to the requirements set forth in Sections 25.9.3.2.1 through 25.9.3.2.2 and the subsections therein, CRIS will be terminated in full upon request by the facility owner or due to three continuous years of the facility being CRIS-inactive, except as provided in Sections 5.18.2.3.2, 5.18.3.3.2, and 5.18.5 of the Services Tariff. The effective date of CRIS termination pursuant to this Section 25.9.3.2 will be the date the ISO has completed processing the termination request and provided notice of same to the requesting facility owner.

25.9.3.2.1 Voluntary termination. A Facility that (a) is Retired or in a Mothball Outage or (b) is in an IIFO, and has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the Facility's deactivation, may elect to relinquish its CRIS, before that CRIS would otherwise expire under this Attachment S, upon notification to the ISO by submitting its request in accordance with ISO

Procedures. Relinquishment of CRIS under this Section 25.9.3.2.2 may only be in full (*i.e.*, the facility may not elect to relinquish only a portion of its CRIS).

25.9.3.2.2 Termination for CRIS-Inactive Facilities. CRIS will terminate in full after three continuous years of being CRIS-inactive, as defined in Section 25.9.3.2.2.1, except as provided in Sections 5.18.2.3.2, 5.18.3.3.2, and 5.18.5 of the Services Tariff.25.9.3.2.2.1 For the purpose of the rules in this Section 25.9.3.2.2, once a facility with CRIS has synchronized, it becomes CRIS-inactive on the last day of the month for which it fails to (i) offer any capacity into ISO capacity auctions, and/or (ii) certify any capacity as an Installed Capacity Supplier through a Bilateral Transaction(s) or Export of capacity to an External Control Area, except as provided in Sections 25.9.3.2.2.1.1 and 25.9.3.2.2.1.2 below.

25.9.3.2.2.1.1 A facility that has synchronized before February 29, 2020 and was not CRIS-inactive under the previously-effective rules due to its activity as a load modifier, will be considered CRIS-inactive no earlier than February 29, 2020, based on its activity on and after that date.

25.9.3.2.2.1.2 A facility that has synchronized before February 29, 2020 but never offered capacity into ISO capacity auctions or certified capacity through a bilateral prior to February 29, 2020 will be considered CRIS-inactive no earlier than February 29, 2020, based on its activity on and after that date.

25.9.3.2.2.2 In the case of a CRIS-inactive facility, the facility's CRIS terminates three years after the facility becomes CRIS-inactive, except as provided in Sections 5.18.2.3.2, 5.18.3.3.2, and 5.18.5 of the Services Tariff, unless the CRIS-inactive facility takes one of the following actions before the end of the three-year period:

(1) returns to service and participates in an ISO capacity auction or bilateral transactions or (2) transfers CRIS to another facility as permitted by Sections 25.9.4 and 25.9.5 of this Attachment S

25.9.3.3 Partial CRIS Termination

25.9.3.3.1 For a facility other than a facility that has Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights (*i.e.*, generators internal to the NYCA), CRIS utilization is the MW sum for a given month of the Installed Capacity Equivalent of UCAP: (1) offered into ISO capacity auctions; (2) certified through a Bilateral Transaction(s); and (3) exported to an External Control Area. If its CRIS utilization ratio (*i.e.*, ratio of the monthly CRIS utilization to its total applicable seasonal CRIS value) falls at or below 0.9 for every month for three consecutive years, measured on a forward rolling basis from [effective date], the facility's CRIS will be reduced to the MW level of its existing CRIS values multiplied by the sum of (1) its maximum utilization ratio for any month within the prior three-year period and (2) 0.05, rounded to the nearest tenth of a MW. For purposes of calculating CRIS utilization pursuant to this Section 25.9.3.4.1, any months during which a facility is in a Mothball Outage or ICAP Ineligible Forced Outage are excluded and not considered as part of the three-year period for determining CRIS utilization. If a facility returns to service from a Mothball Outage or an ICAP Ineligible Forced Outage, the three (3)-year period for determining CRIS utilization will not restart, but will resume from the point when the facility entered the Mothball Outage or the ICAP Ineligible Forced Outage. For example, if after two consecutive years of a CRIS utilization ratio at or below 0.9, a facility enters an ICAP Ineligible Forced Outage, the three-year period does not continue during the ICAP Ineligible Forced Outage but resumes the first

month the facility is eligible to participate in the ICAP market as determined by Section 5.18.2.2 of the Services Tariff.

25.9.3.3.2 For a facility with CRIS that has Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights ("UDR/EDR transmission facility"), if during the three years from the Initial Synchronization Date of the UDR/EDR transmission facility the facility has not demonstrated, consistent with ISO Procedures, that it is capable of delivering MW of Energy to the NYCA interface equivalent to its MW of CRIS, its CRIS MW will be reduced to the maximum MW of Energy the UDR/EDR transmission facility has demonstrated it is capable of delivering to the NYCA interface pursuant to ISO Procedures of any month during this three-year period. For purposes of this Section 25.9.3.3.2, a UDR/EDR transmission facility is capable of delivering Energy to the NYCA interface if it demonstrates deliverability as required by ISO Procedures to be eligible to sell capacity for a particular month, in accordance with the requirements based on the Control Area where the External Installed Capacity Supplier is electrically located.

25.9.3.4 Term of External CRIS Rights

25.9.3.4.1 The initial term of External CRIS Rights, whether based on a Contract or Non-Contract Commitment, will be for an Award Period of no less than five (5) years.

25.9.3.4.2 An entity holding External CRIS Rights may renew those rights for one or more subsequent terms, as described below:

25.9.3.4.2.1 An entity holding External CRIS Rights based on a Contract Commitment may renew its External CRIS Rights, provided that the ISO receives from the entity a request to renew on or before the date specified in Section 25.9.3.5.2.3

indicating that the entity has renewed its bilateral contract to supply External Installed Capacity for an additional term of no less than five (5) years. If the entity does so, then that entity's External CRIS Rights will be renewed for the same additional term, without any further evaluation of the deliverability of the External Installed Capacity covered by the renewed bilateral contract.

25.9.3.4.2.2 An entity holding External CRIS Rights based on a Non-Contract Commitment may renew its External CRIS Rights, provided that the ISO receives from the entity a request to renew on or before the date specified in Section 25.9.3.2.2.3. Any Non-Contract Commitment renewal must be for an additional term of no less than five (5) years. If the entity does so, then that entity's External CRIS Rights will be renewed for the same additional term, without any further evaluation of the deliverability of the External Installed Capacity associated with the Non-Contract Commitment.

25.9.3.4.2.3 Requests for renewal of External CRIS Rights must be received by the ISO on or before a date defined by the earlier of: (i) six months prior to the expiration date of the Contract or Non-Contract Commitment, or (ii) one month prior to the Study Start Date of the ATRA that is prior to the start of the last Summer Capability Period within the current Award Period or renewal of an Award Period.

25.9.3.4.3 External CRIS Rights will terminate at the end of the effective Award Period or renewal of an Award Period if those rights have not been renewed for an additional term, pursuant to the process described above.

25.9.3.5 CRIS for Facilities Pre-Dating Class Year 2007

For Large Facilities and Small Generating Facilities pre-dating Class Year 2007, *i.e.*, facilities interconnected or completely studied for interconnection before the projects in Class Year 2007, the facility shall qualify for CRIS service so long as (i) it is not retired (*e.g.*, identified as retired in a NYISO Load and Capacity Data Report prior to October 5, 2008, (ii) its interconnection agreement is not terminated, and (iii) the facility begins commercial operations within three years of the commercial operation date or comparable commencement date specified in its initial interconnection agreement filing. A generator or merchant transmission facility pre-dating Class Year 2007 without an interconnection agreement on October 5, 2008, or one with an initial interconnection agreement filing that does not specify a commercial operation date or any comparable commencement date, shall qualify for CRIS so long as it is not retired (*e.g.*, identified as retired in a NYISO Load and Capacity Data Report) prior to October 5, 2008 and it begins commercial operations within three years of its in-service date specified in the 2008 NYISO Load and Capacity Data Report. For generators pre-dating Class Year 2007, the CRIS capacity level will be set at the maximum DMNC level achieved during the five most recent Summer Capability Periods prior to October 5, 2008, even if that DMNC value exceeds nameplate MW.

For a generator pre-dating Class Year 2007 and not having DMNC levels recorded for five Summer Capability Periods prior to October 5, 2008, its CRIS capacity level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer Capability Periods until it has DMNC levels recorded for five Summer Capability Periods. Prior to the establishment of the generator's first DMNC value for a Summer Capability Period, the generator's CRIS level will be set at nameplate MW. The CRIS capacity level for intermittent resources pre-dating Class Year 2007 will be set at nameplate MW, and the CRIS capacity level

for controllable lines pre-dating Class Year 2007 will be set at the MW of Unforced Capacity Deliverability Rights awarded to them. Existing generators that are eligible for CRIS under this Section 25.9.3.3.3 that wish to obtain CRIS pursuant to this provision must request CRIS within 60 days of May 19, 2016; CRIS cannot be obtained under this Section 25.9.3.3.3 if not requested by such date.

25.9.3.6 CRIS for Facilities Not Subject to ISO Interconnection Procedures

Starting May 19, 2016, all facilities that wish to become eligible to participate as Installed Capacity Suppliers pursuant to the requirements of Section 5.12 of the ISO Services Tariff, must have CRIS, even if the facility is not or was not, when interconnected, subject to the ISO's interconnection procedures set forth in Attachments X or Z to the OATT.

Facilities not subject to the ISO's interconnection procedures set forth in Attachments X and Z to the OATT may obtain CRIS rights by (i) entering a Class Year Deliverability Study and satisfying the NYISO Deliverability Interconnection Standard or (ii) satisfying the requirements set forth in Section 25.9.3.7.1. For a facility subject to this Section 25.9.3.4 that has obtained CRIS on or before February 29, 2020, its CRIS will terminate four (4) years after February 29, 2020 if the Developer has failed to provide notice to the ISO that the facility has synchronized. For a facility subject to this Section 25.9.3.7 that obtains CRIS after February 29, 2020, its CRIS will terminate four (4) years after the facility obtains CRIS, if the Developer fails to provide notice to the ISO that the facility has synchronized.

25.9.3.6.1 A facility not subject to the ISO's interconnection procedures set forth in Attachments X and Z to the OATT may obtain CRIS without being evaluated in a Class Year Deliverability Study if it meets the following requirements (i) if the facility has not commenced Commercial Operation, it must have completed all

required interconnection studies and have an effective interconnection agreement by May 19, 2016, (ii) if the facility has commenced Commercial Operation by May 19, 2016, it must have an effective interconnection agreement and must not have been out-of-service for more than three (3) consecutive years; (iii) it is not or was not, when first interconnected, subject to the ISO's interconnection procedures set forth in Attachments X and Z to the OATT, and (iv) the facility owner must request CRIS within 60 days of May 19, 2016. The CRIS level for a facility that qualifies for CRIS under this Section 25.9.3.7.1 will be set in accordance with Section 25.9.3.7.1.1 and 25.9.3.7.1.2.

25.9.3.6.1.1 BTM:NG Resource

A BTM:NG Resource's initial CRIS level will be set at its Net-ICAP level. The CRIS level will be set, and reset if necessary, at the maximum Net-ICAP level achieved during successive Summer Capability Periods until the facility has Net-ICAP levels recorded for five Summer Capability Periods. The five-year CRIS set and reset period begins with the first Summer Capability Period, following receipt of an initial CRIS value, for which the BTM:NG Resource's Net-ICAP calculation incorporates a demonstrated Average Coincident Host Load. The final CRIS level will be the highest Net-ICAP recorded for the Summer Capability Period during the five-year set and reset period, excluding the initial CRIS level.

The five-year CRIS set and reset period will terminate early, before five Net-ICAP values have been recorded if any of the following conditions occurs: (i) the BTM:NG Resource ceases to qualify as a BTM:NG Resource pursuant to Section 5.12.1 of the Services Tariff; (ii) the BTM:NG Resource elects to participate as another type of Installed Capacity Supplier, other than as a BTM:NG Resource; or (iii) the BTM:NG Resource's Net ICAP is equal to or less than zero

for a Capability Period. Upon an early termination of the five-year CRIS set and reset period, the final CRIS value will be determined based on the available data from the CRIS set and reset period up to the point of early termination – *i.e.*, the highest Net-ICAP value recorded during the CRIS set and reset period prior to the point of early termination.

25.9.3.6.1.2. Facilities Other than BTM:NG Resources

Prior to the establishment of the generator's first DMNC value for a Summer Capability Period, the generator's CRIS level will be set at nameplate MW. The CRIS level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer Capability Periods until the facility has DMNC levels recorded for five Summer Capability Periods.

25.9.3.7 CRIS for BTM:NG Resources Evaluated in a Class Year Deliverability Study

If meter data is available for both the Load and the generator, the initial CRIS that can be requested is limited to the demonstrated Net-ICAP. If meter data is not available for either the Load or the generator of the BTM:NG Resource, the initial CRIS that can be requested is limited to the Net-ICAP calculation set forth in Section 5.12.1 of the ISO Services Tariff. The initial CRIS level will set at the CRIS MW level evaluated in the Class Year Deliverability Study and either found to be deliverable or for which the Developer accepted its Project Cost Allocation and posted Security for any required System Deliverability Upgrades.

The CRIS level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer Capability Periods, not to exceed the initial CRIS level, until the facility has DMNC levels recorded for five Summer Capability Periods – *i.e.*, the initial CRIS level will act as a cap through the set and reset period and for the final CRIS level. The final

CRIS level will be the highest Net-ICAP recorded for the Summer Capability Period during the five-year set and reset period, excluding the initial CRIS level.

The five-year CRIS set and reset period will terminate early, before five Net-ICAP values have been recorded if any of the following conditions occurs: (i) the BTM:NG Resource ceases to qualify as a BTM:NG Resource pursuant to Section 5.12.1 of the Services Tariff; (ii) the BTM:NG Resource elects to participate as another type of Installed Capacity Supplier, other than as a BTM:NG Resource; or (iii) the BTM:NG Resource's Net ICAP is equal to or less than zero for a Capability Period. Upon an early termination of the five-year CRIS set and reset period, the final CRIS value will be determined based on the available data from the CRIS set and reset period up to the point of early termination – *i.e.*, the highest Net ICAP value recorded during the CRIS set and reset period prior to the point of early termination.

25.9.4 Transfer of Deliverability Rights - Same Location

A facility with CRIS ("transferor facility") may, on or after its Initial Synchronization Date, transfer some or all of its CRIS to a facility at the same electrical location ("transferee facility"), provided that (1) the transferee facility must be operational before the CRIS of the transferor facility terminates pursuant to Section 25.9.3 of this Attachment S; and (2) the transferor facility, if it is Retired, in a Mothball Outage or is in an IIFO, has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the Facility's deactivation. For purposes of this Section 25.9.4, "same electrical location" means that the facilities are interconnecting to the same transmission bus at the same kV level. The transferee facility, if it has not already synchronized (*i.e.*, reached its Initial Synchronization Date), will only acquire the transferred CRIS once transferee facility has

synchronized (*i.e.*, reached its Initial Synchronization Date). CRIS is stated in MW of Installed Capacity. In the case of transfers between the same or different resource types, those MW of Installed Capacity will be adjusted by the derate factor applicable to the transferor facility (based on the asset-class derate factors used in the most recent Class Year Deliverability Study) before the transfer and, following the transfer, will be readjusted to MW of Installed Capacity in accordance with the derate factor applicable to the transferee facility (based on the asset-class derate factors used in the most recent Class Year Deliverability Study). In the case of a Distributed Energy Resource (DER), CRIS rights are requested and awarded at the DER level, not at the individual asset level or at the Aggregation level, and therefore, may only be transferred at the DER level under this Section 25.9.4.

For purposes of calculating the period of time a facility is CRIS inactive pursuant to Section 25.9.3.2.3 of this Attachment S, the period of time the facility is CRIS inactive prior to the transfer does not impart to the transferee facility (*i.e.*, if the transferor facility had been CRIS inactive for two years prior to the transfer, that two years does not transfer with the transferred CRIS. The transferee's CRIS is reset for purposes of Section 25.9.3.2.2).

If the transferor facility remains active (*i.e.*, as ERIS-only or with less than its original MW level of CRIS), it must submit a transfer notification form to the ISO in accordance with ISO Procedures before August 1 for the requested transfer to become effective at the later of the start of the next Capability Year (*i.e.*, May 1) or the Initial Synchronization Date of the transferee facility. If transferee facility does not reach its Initial Synchronization Date before the end of the next Capability Year (*i.e.*, April 30), the transfer will not be effective and the CRIS will remain with the transferor. A transferor facility that does not satisfy the above requirements must deactivate prior to transferring its CRIS.

If the transferor facility is located in a Mitigated Capacity Zone, it may obtain a final physical withholding determination pursuant to Section 23.4.5.6.5 of the MST. If the transferee facility is located in a Mitigated Capacity Zone and is not an Excluded Facility, pursuant to Section 23.2 of the MST, the transferee facility must, pursuant to Section 23.4.5.7 of the MST, obtain a Buyer-Side Mitigation determination for the transfer to become effective as soon as the start of the next capability month after the date upon which the last of the following occurs: the transferee obtains a Buyer-side Mitigation determination, if applicable; the transferor obtains a physical withholding determination, if applicable; and the facility meets all other applicable requirements in this Section 25.9.4; provided however, that if the same-location CRIS transferor elects to remain active (*i.e.,* as ERIS-only or with less than its original MW level of CRIS), such Buyer-Side Mitigation determination must be obtained before August 1 of the current Capability Year for the transfer to become effective at the later of the start of the next Capability Year (*i.e.*, May 1) or the Initial Synchronization Date of the transferee facility.

25.9.5 Transfer of Deliverability Rights - Different Locations

CRIS may also be transferred on a bilateral basis between an existing facility within the NYCA ("transferor facility") and a new facility at a different location within the NYCA ("transferee facility") to the extent that the transferee facility is found to be deliverable after the existing facility transfers its CRIS. The transferee facility may contract with an existing facility with CRIS to transfer some or all of the existing facility's CRIS. The transferee facility will be allowed to acquire these rights if it meets the requirements set forth below:

25.9.5.1 Prior to the Class Year Start Date, the transferor and transferee facilities involved in the transfer transaction must notify the ISO the MW level of capacity rights proposed to be transferred. CRIS will be stated in MW of Installed

Capacity. In the case of transfers between different resource types, those MW of Installed Capacity will be adjusted by the derate factor applicable to the existing facility before the transfer and, following the transfer, will be readjusted to MW of Installed Capacity in accordance with the derate factor applicable to the new project. All derate factors will be based on the asset-class derate factors in the current Class Year Deliverability Study.

25.9.5.1.1 The ISO will evaluate the deliverability of the Class Year projects together, with no transfers, to determine the extent to which transferee facilities in the Class Year are deliverable without the proposed transfers.

25.9.5.1.2 The ISO will then reduce the output of all transferor facilities to see if the new facility counterparties benefit, *i.e.*, their undeliverable capacity is made deliverable, from the proposed transfers; provided, however, the transferor facilities will be reduced only to the extent that their reduction does not adversely impact the deliverability of Class Year projects that are not parties to the proposed transactions.

25.9.5.1.3 If the deliverability test conducted by the ISO shows that the transferee facilities in the Class Year are fully or partially deliverable with these reductions of the established facility counterparties, then the transferee facilities will be given five business days to notify the ISO as to whether transfer transaction is final or not. If any proposed transactions are not finalized, then Sections 25.9.5.1.1 and 25.9.5.1.2 will be repeated until all proposed transactions have been terminated or finalized.

25.9.5.2 For each finalized transaction, the transferor facility will be modeled in the Class Year Study at its reduced output level (current level less CRIS finally transferred adjusted by the applicable derate factors). The Deliverability of Class Year Projects not parties to finalized transactions may benefit, but will not be adversely affected, by those transactions.

25.9.5.3 The transferor facility will be restricted in future capacity sales up to levels consistent with the CRIS rights that were transferred to the new project counterparty.

25.9.5.4 The transferee facility will only acquire the transferred CRIS once the transferee facilities becomes operational at the levels necessary to utilize those rights, provided that (1) the transferee facility must be operational before the CRIS of the transferor facility terminates pursuant to Section 25.9.3 of this Attachment S; and (2) the transferor facility, if it is Retired, in a Mothball Outage or is in an IIFO, has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the Facility's deactivation.

If the transferor facility is located in a Mitigated Capacity Zone, it may be subject to a final physical withholding determination pursuant to Section 23.4.5.6.1 of the MST. If the transferee facility is located in a Mitigated Capacity Zone and is not an Excluded Facility, pursuant to Section 23.2 of the MST, the transferee facility must, pursuant to Section 23.4.5.7 of the MST, obtain a Buyer-Side Mitigation determination. Transfers may become effective as soon as the

start of the next capability month after the date upon which the last of the following occurs: the transferee obtains a Buyer-side Mitigation determination, if applicable the transfer is found deliverable as described above in Sections 25.9.5.1.1, 25.9.5.1.2 and 25.9.1.3, and the facility meets all other applicable requirements in Sections 25.9.5.1 and 25.9.5.1.3.

For purposes of calculating the period of time a facility is CRIS inactive pursuant to Section 25.9.3.2.3 of this Attachment S, the period of time the facility is CRIS inactive prior to the transfer does not impart to the transferee facility (i.e., if the transferor facility had been CRIS inactive for two years prior to the transfer, that two years does not transfer with the transferred CRIS. The transferee's CRIS is reset for purposes of Section 25.9.3.2.2).

25.9.6 Transfer of External CRIS Rights

A holder of External CRIS Rights may transfer some or all of the Contract or Non-Contract CRIS MW that it holds to another entity, provided that the following requirements are met:

25.9.6.1 The entity to receive the External CRIS Rights must, prior to the transfer, make either (i) a Contract Commitment of External Installed Capacity satisfying the requirements of Section 25.7.11.1.1 of this Attachment S, or (ii) a Non-Contract Commitment of External Installed Capacity satisfying the requirements of Section 25.7.11.1.2 of this Attachment S; and

25.9.6.2 The External Installed Capacity of the entity to receive the External CRIS Rights must use the same External Interface(s) used by the External Installed Capacity of the entity currently holding the External CRIS Rights; and

25.9.6.3 The transfer must be for the remaining duration of the Award Period or renewal of an Award Period currently effective for the External CRIS Rights to be transferred; and

25.9.6.4 If the holder of External CRIS Rights transfers some, but not all of its CRIS MW, the number of CRIS MW transferred must be such that, following the transfer, both the holder and the entity receiving External CRIS Rights satisfy the applicable requirements of Section 25.7.11.1.1 and 25.7.11.1.2 of this Attachment S; and

25.9.6.5 The transfer must take place on or before the earlier of:

25.9.6.5.1 Six months prior to the expiration date of the Contract or Non-Contract Commitment of the entity currently holding the External CRIS Rights to be transferred; or

25.9.6.5.2 One month prior to the Study Start Date of the ATRA that is prior to the start of the last Summer Capability Period within the current Award Period or renewal of an Award Period.

25.10 Miscellaneous Provisions

25.10.1 Non-financial Settlement of 2004

Notwithstanding any foregoing provisions to the contrary, the following provisions apply to the resumption of the cost allocation process after the approval by FERC of the Non-Financial Settlement.

25.10.1.1 Upon the study start date specified in the Non-Financial Settlement ("Study Start Date"), the ISO shall resume the cost allocation process set forth herein.

25.10.1.2 Except as provided below, the initial cost allocation shall determine the System Upgrade Facilities required for the reliable interconnection of all Developer projects that have met the milestones identified in Section 25.6.2.3.1 of this Attachment S on or before the Study Start Date. The ISO shall prepare an ATRA with respect to these Developer projects as a single class (the "Catch Up Class Year"). The Catch Up Class Year shall not include (1) Class Year 2001 Developer projects that have accepted their Project Cost Allocation prior to the Study Start Date, or (2) Class Year 2002 Developer Projects that have accepted their Project Cost Allocation pursuant to the terms of the Non-Financial Settlement.

25.10.1.3 The ISO shall use the 2004 Load and Capacity Data Report for the Catch Up Class Year cost allocation studies, unless the Study Start Date is later than January 1, 2005 in which event the ISO shall use the 2005 Load and Capacity Data Report. The Catch Up Class Year cost allocation studies shall identify system needs for the five-year period beginning January 1, 2005. In the event the

Study Start Date is later than January 1, 2005 the Catch Up Class Year cost allocation studies shall identify system needs for the five-year period beginning January 1, 2006. The ISO shall present the results of the Catch Up Class Year cost allocation studies to the Operating Committee for approval as provided in Section 25.10.4 of this Attachment S.

25.10.1.4 The ISO shall represent the NYPA Poletti project in the ATBA and ATRA for the Catch Up Class Year as connected to the Astoria West Substation.

25.10.1.5 Once all Developers in the Catch Up Class Year have either (i) accepted their Project Cost Allocation, or (ii) dropped out of the class, the ISO shall resume annual cost allocations with respect to individual Class Years in accordance with the time frames set out in these rules.

25.10.1.6 All Developer projects in the Catch Up Class Year who do not accept their Project Cost Allocation shall be included in the ATRA in the next Class Year cost allocation process.

25.10.1.7 The ISO shall finalize the results of the Class Year 2002 cost allocation (including headroom issues) in accordance with the provisions of the Non-Financial Settlement.

25.10.2 Combined Study of Class Years 2009 and 2010

Notwithstanding any foregoing provisions to the contrary, the following special provisions apply to the Interconnection Facilities Studies for Class Year 2009 and Class Year 2010. These provisions provide that Class Year 2009 and Class Year 2010 will be performed on a combined basis. However, cost allocation for these two Class Years will be calculated separately, as described herein. All provisions of this Attachment S that are not inconsistent with

the special provisions of this Section 25.10.2 shall apply as they normally do to projects in Class Year 2009 and Class Year 2010.

25.10.2.1 A single ATBA under the Minimum Interconnection Standard for the Class Year 2009 and Class Year 2010 will be developed using the 2010 NYISO Load and Capacity Data Report and will be the same ATBA as would otherwise be developed for the 2010 Class Year Study absent the combination of Class Year 2010 with Class Year 2009. This ATBA will be the starting point for a single deliverability baseline used under the Deliverability Interconnection Standard for Class Year 2009 and Class Year 2010. For purposes of this Section 25.10.2, "ATBA-Deliverability" refers to the deliverability baseline developed for Class Year 2009 and Class Year 2010 pursuant to this Section, and "ATRA-Deliverability" refers to the ATBA-Deliverability with the relevant Class Year projects added, as described below.

25.10.2.2 There will be two ATRAs and two ATRAs-Deliverability in the combined Class Year study: an ATRA and ATRA-Deliverability for Class Year 2009, as well as an ATRA and ATRA-Deliverability for Class Year 2010.

25.10.2.2.1 The ATRA and ATRA-Deliverability for Class Year 2009 will be the ATBA and ATBA-Deliverability, respectively, developed pursuant to Section 25.10.2.1 above, plus the projects that qualified for Class Year 2009 on or before March 1, 2009 and entered Class Year 2009.

25.10.2.2.2 The ATRA and ATRA-Deliverability for Class Year 2010 will be the ATRA and ATRA-Deliverability for Class Year 2009, plus the projects that qualified for Class Year 2010 on or before March 1, 2010 and entered Class Year

2010.

25.10.2.3 Cost Allocation for the Two Class Years

25.10.2.3.1 The cost allocation for Class Year 2009 System Upgrade Facilities and System Deliverability Upgrades will be calculated based on the incremental impact of the Class Year 2009 projects (i.e., the 2009 ATRA and ATRA-Deliverability) over the ATBA and ATBA-Deliverability, respectively, developed pursuant to Section 25.10.2.1 above.

25.10.2.3.2 The cost allocation for Class Year 2010 System Upgrade Facilities and System Deliverability Upgrades will be calculated based on the incremental impact of the Class Year 2010 projects (i.e., the 2010 ATRA and ATRA-Deliverability) over the Class Year 2009 ATRA and ATRA-Deliverability, respectively, as described fully below.

25.10.2.3.3 If Class Year 2010 projects use Headroom on System Upgrade Facilities or System Deliverability Upgrades identified for Class Year 2009 projects, the Class Year Study for Class Year 2010 will identify the Headroom use payments that must be made by Class Year 2010 projects to Class Year 2009 projects.

25.10.2.3.4 In the event that a System Upgrade Facility or System Deliverability Upgrade identified for Class Year 2009 is replaced in the Class Year Study for Class Year 2010 by a more capable System Upgrade Facility or System Deliverability Upgrade required for projects in Class Year 2010, the cost allocation for Class Year 2009 will be based on the System Upgrade Facility or System Deliverability Upgrade identified for Class Year 2009, and the cost allocation to Class Year 2010 will be based on the more capable replacement

System Upgrade Facility or System Deliverability Upgrade.

25.10.2.4 Operating Committee Approval, Project Cost Allocation Decision Process and Class Year Settlement.

25.10.2.4.1 The initial Project Cost Allocation contained in the ATRA and Class Year Deliverability Study for Class Year 2009 will be based upon all projects in Class Year 2009. The initial Project Cost Allocation contained in the ATRA and Class Year Deliverability Study for Class Year 2010 will be based upon all projects in Class Year 2009 and Class Year 2010, except as described below in Section 25.10.2.4.4.3.

25.10.2.4.2 The ISO will undertake to complete the Class Year Study Report for Class Year 2009 and the Class Year Study Report for Class Year 2010 in parallel so that both study reports are ready to be presented at the same Operating Committee meeting. However, if at any time, the ISO determines that the Class Year Study Report for Class Year 2009 is ready for presentation to the Operating Committee (following applicable working group and subcommittee review), the ISO will present that study report to the Operating Committee regardless of the status of the Class Year Study Report for Class Year 2010. The Operating Committee will separately vote to approve the study report for Class Year 2009 and the study report for Class Year 2010, even if both study reports are presented at the same Operating Committee meeting.

25.10.2.4.3 If the Class Year Study Reports for Class Year 2009 and Class Year 2010 are both approved at the same Operating Committee meeting, the Project Cost Allocation decision process will commence at that time and be conducted in

parallel for the projects in both Class Years, as described in Section 25.10.2.4.5 below.

25.10.2.4.4 If the Class Year Study Report for Class Year 2009 is approved at an Operating Committee meeting where either (1) the study report for Class Year 2010 is not presented for approval, or (2) the study report for Class Year 2010 is presented for approval but not approved, the following process will be followed:

25.10.2.4.4.1 The Project Cost Allocation decision process for Class Year 2009 will not commence until the following Operating Committee meeting ("Second Operating Committee Meeting"), held not more than forty-five (45) days after the Operating Committee meeting where the study report for Class Year 2009 was approved.

25.10.2.4.4.2 If the Class Year Study Report for Class Year 2010 is approved at the Second Operating Committee Meeting, the Project Cost Allocation decision process for the projects in both Class Year 2009 and Class Year 2010 will commence at that time and be conducted in parallel for the projects in both Class Years as described in Section 25.10.2.4.5 below.

25.10.2.4.4.3 If the Class Year Study Report for Class Year 2010 is not approved at the Second Operating Committee Meeting, the Project Cost Allocation decision process for the projects in Class Year 2009 will commence immediately upon the Second Operating Committee Meeting and will follow the existing Project Cost Allocation decision process described in Sections 25.8.1-25.8.4 of Attachment S, with initial Acceptance Notices and/or Non-Acceptance Notices due 30 days after the Second Operating Committee Meeting. When the Project Cost Allocation decision process for the projects in Class Year 2009 is completed, and the Class

Year Study Report for Class Year 2010 has been revised to reflect the final settlement of Class Year 2009 and is otherwise complete, the Class Year Study Report for Class Year 2010 will be presented to the Operating Committee meeting for approval. Upon Operating Committee approval of the Class Year Study Report for Class Year 2010, the Project Cost Allocation decision process for the projects in Class Year 2010 will begin.

25.10.2.4.4.4 Only in the event that the Class Year Study Report for Class Year 2010 is not approved at the Second Operating Committee Meeting, as described immediately above in Section 25.10.2.4.4.3, a Developer or Interconnection Customer in Class Year 2009 providing a Non-Acceptance Notice for its System Upgrade Facility Project Cost Allocation may, by the due date for providing such notice, elect to enter Class Year 2010, and its project will be placed in Class Year 2010, provided that (a) the project is otherwise eligible under the Class Year re-entry rules, (b) it submits to the ISO an executed Interconnection Facilities Study Agreement, together with the required deposit and data, within ten (10) days of its receipt of the Interconnection Facilities Study Agreement, and (c) cures any deficiency in its submittal within five (5) Business Days after receiving notice from the ISO about such deficiency. A project in Class Year 2009 committing a Security Posting Default may not enter Class Year 2010. Other than as described in this Section 25.10.2.4.4.4, projects in Class Year 2009 may not enter Class Year 2010.

25.10.2.4.5 If both Class Year Study Reports are approved by the Operating Committee, either at the same meeting or by the Second Operating Committee

Meeting, as described above in Sections 25.10.2.4.2-25.10.2.4.4, the Developers and Interconnection Customers in both Class Year 2009 and Class Year 2010 will have thirty (30) days from the date of Operating Committee approval of the Interconnection Facilities Study Report for Class Year 2010 to provide an Acceptance Notice(s) or Non-Acceptance Notice(s) in accordance with Sections 25.8.1-25.8.4 of Attachment S. If any Developer or Interconnection Customer in either Class Year 2009 or Class Year 2010 provides a Non-Acceptance Notice or commits a Security Posting Default, the ISO will prepare a revised Class Year Study Report by the following process:

25.10.2.4.5.1 If any Developer or Interconnection Customer in Class Year 2009 provides a Non-Acceptance Notice(s) and/or commits a Security Posting Default, the ISO will notify all Developers and Interconnection Customers in both Class Years as required by Section 25.8.2 of Attachment S, and will prepare (1) a revised ATRA and/or Class Year Deliverability Study for Class Year 2009 to reflect impact of the Non-Acceptance Notice(s) and/or Security Posting Default(s) from Class Year 2009 projects, and (2) a revised ATRA and/or Class Year Deliverability Study for Class Year 2010 to reflect the impact of the Non-Acceptance Notice(s) and/or Security Posting Default(s) from Class Year 2009 project and Class Year 2010 projects. The ISO will prepare and publish the required ATRAs and/or Class Year Deliverability Study(ies) for both Class Years within four (4) weeks of its receipt of the last Non-Acceptance Notice or its receipt of notice of the last Security Posting Default, whichever is later.

25.10.2.4.5.2 If any Developer or Interconnection Customer in Class Year 2010

provides a Non-Acceptance Notice(s) and/or commits a Security Posting Default, but no Developer or Interconnection Customer in Class Year 2009 does so, the ISO will notify all Developers and Interconnection Customers in both Class Years as required by Section 25.8.2 of Attachment S, and will prepare and publish a revised ATRA and/or Class Year Deliverability Study for Class Year 2010 within two (2) weeks of its receipt of the last Non-Acceptance Notice or its receipt of notice of the last Security Posting Default, whichever is later. The ISO will not revise the ATRA or the Class Year Deliverability Study for Class Year 2009 as a result of a Non-Acceptance Notice from or a Security Posting Default by a Developer or Interconnection Customer in Class Year 2010.

25.10.2.4.5.3 The process described in the foregoing Sections 25.10.2.4.5.1 and/or 25.10.2.4.5.2 will be repeated until either (1) none of the remaining eligible Class Year Developers or Interconnection Customers provides a Non-Acceptance Notice or commits a Security Posting Default, or (2) all Developers or Interconnection Customers have dropped out of their respective Class Years.

25.10.2.5 Except for projects in Class Year 2009 that elect to enter Class Year 2010 pursuant to the procedures described above in Section 25.10.2.4.4.4, Class Year 2009 and Class Year 2010 will be considered as a single Class Year for purposes of calculating the number of Class Years a project may enter pursuant to Section 25.8.2.3 of Attachment S. A project that was in Class Year 2009 but elects to enter Class Year 2010 under section 25.10.2.4.4.4 that subsequently provides a Non-Acceptance Notice or commits a Security Posting Default related to its System Upgrade Facilities for Class Year 2010 will be deemed to have withdrawn

its Interconnection Request in accordance with Section 30.3.6 of the Large Facility Interconnection Procedures in Attachment X to the OATT, or in accordance with Attachment Z to the OATT, as applicable.

25.10.3 ISO Data Requirements

Developers and Transmission Owners shall provide the ISO with all data necessary to make the determinations contemplated by these rules.

25.10.4 Rights Under the Federal Power Act

Nothing in these rules restricts the rights of any person under the OATT, or the right of any person to file a complaint with the Federal Energy Regulatory Commission under the relevant provisions of the Federal Power Act.

25.10.5 Transmission Service Customer Rights

Nothing in these rules precludes any transmission service customer from receiving transmission service charge credits to the extent the customer is entitled to such credits under FERC policy and precedent.

25.11 Appendices

APPENDIX 1 TO ATTACHMENT S– Allocation of Overage Cost

An Example of the Allocation of Overage Cost Among Class Year Developers, in Accordance with Section 25.6.2 of Attachment S:

- There are five Developer projects in Class Year 20XX.
- The Annual Transmission Reliability Assessment ("ATRA") determines that 10 System Upgrade Facilities ("SUFs") are needed to reliably interconnect the Class Year 20XX projects, at a total cost of $30 million.
- The Annual Transmission Baseline Assessment ("ATBA") determines that 7 SUFs would be needed to meet reliability standards without the Class Year 20XX projects, at a total cost of $20 million. (Note: The ATBA may have included some generic "projects" identical to or similar to some of the Class Year 20XX projects, but not necessarily. Also, some of the SUFs identified by the ATBA may be the same as those identified in the ATRA, but not necessarily.)

  (1) The total cost of ATRA SUFs allocated to the Transmission Owners ("TOs") is equal to the total cost of the ATBA SUFs ($20 million).

  (2) The total cost of ATRA SUFs allocated to the Developers, the Overage Cost, is the net of the total cost of the ATRA vs. ATBA SUFs ($30 million - $20 million = $10 million).

  (3) The ratio of the Overage Cost to the total cost of ATRA SUFs, the Overage Cost Percentage, is used to compute the Developers' cost allocations for each ATRA SUF. In this example, the Overage Cost Percentage, the ratio, = $10 million/$30 million = 1/3 (The Developers pay 1/3 the cost of each ATRA SUF). Assume the cost of one of the ATRA SUFs (SUF#1) is $3 million. The Developers' share of the cost of that SUF = 1/3 x $3 million = $1 million.

  (4) The Developers' share of the cost of each ATRA SUF is allocated among all the Developers that have at least a *de minimus* impact causing the need for that SUF. In this example, the ATRA determines that 3 of the 5 Class Year 200X projects have at least a *de minimus* impact causing the need for SUF#1.

(5) The Developers' cost of an ATRA SUF is allocated to each Developer that has at least a *de minimus* impact in accordance with the Contribution Percentage, or ratio of that Developer's measured impact, its electrical contribution, to the sum of the measured impact of all the Developers that have at least a *de minimus* impact.

In this example, the measured impacts of the three projects are 200, 300, and 500 amps, respectively. Thus the pro rata shares of the projects' cost of SUF#1 are $200K, $300K, and $500K, respectively.

APPENDIX 2 TO ATTACHMENT S – Expedited Deliverability Study Agreement

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

RECITALS

WHEREAS, Developer is proposing to develop or owns an existing or facility requesting Capacity Resource Interconnection Service ("CRIS"); and

WHEREAS, the NYISO has confirmed that the Developer has satisfied the eligibility requirements for entering an Expedited Deliverability Study; and

WHEREAS, Developer has elected to enter an Expedited Deliverability Study in order to obtain or increase CRIS pursuant to Attachments S, X and Z to the NYISO's Open Access Transmission Tariff ("OATT"), as applicable.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Section 30.1 of Attachment X to the NYISO's OATT or Section 25.1.2 of Attachment S to the NYISO's OATT.

2.0 Developer elects to be evaluated for CRIS and NYISO shall cause to be performed an Expedited Deliverability Study consistent with Attachments S and X to the ISO OATT. The terms of the above-referenced OATT Attachments, as applicable, are hereby incorporated by reference herein.

3.0 The scope of the Expedited Deliverability 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 Expedited Deliverability Study report (i) shall identify whether the facility is fully deliverable at its requested level of CRIS; and (ii) if not fully deliverable, shall determine the facility's deliverable MW.

5.0 The Developer shall provide a deposit of $30,000 for the performance of the Expedited Deliverability Study. The time for completion of the Expedited Deliverability Study is specified in Attachment A.

NYISO shall invoice Developer on a monthly basis for the expenses incurred by

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

6.0 Miscellaneous.

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

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

6.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Expedited Deliverability Study or any reliance on the Expedited Deliverability Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

6.4 Third-Party Beneficiaries. Without limitation of Sections 6.2 and 6.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants employed by NYISO to conduct or

review, or to assist in the conducting or reviewing, an Expedited Deliverability Study shall be deemed third party beneficiaries of these Sections 6.2 and 6.3.

6.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 6.5, shall continue in effect until the Expedited Deliverability Study is completed and approved by the NYISO Operating Committee. Developer or NYISO may terminate this Agreement upon the withdrawal of the Developer's project from the NYISO interconnection queue.

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

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

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

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

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

6.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting Transmission Owner as a result of this Agreement.

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

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

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed

by their duly authorized officers or agents on the day and year first above written.

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Attachment A To Appendix 2 - Expedited Deliverability Study Agreement

SCHEDULE FOR CONDUCTING THE EXPEDITED DELIVERABILITY STUDY

The NYISO and Connecting Transmission Owner shall use Reasonable Efforts to complete the study and issue an Expedited Deliverability Study report to the Developer within the four months after of receipt of an executed copy of this Expedited Deliverability Study Agreement:

- Study work (other than data provision and study review) that may be requested of the Transmission Owner by the NYISO is currently not specified, but will be specified in a Study Work Agreement to be developer between the NYISO and Transmission Owner.

- Pursuant to Article 5.0 of this Agreement, the rates for the study work are attached as Exhibit 1.

Attachment B To Appendix 2 - Expedited Deliverability Study Agreement

DATA FORM TO BE PROVIDED BY DEVELOPER

WITH THE EXPEDITED DELIVERABILITY STUDY AGREEMENT

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

2. Specify the MW level of Capacity Resource Interconnection Service ("CRIS") requested; provided however, that CRIS requests are subject to the limits specified in Section 25.8.1 of Attachment S to the ISO OATT.

   Evaluation election (MW of requested CRIS): _____

If the Project will consist of multiple units, specify the requested allocation of the above MW level of requested CRIS: _3. Proposed Schedule:

Begin Construction	Date: _____
In-Service	Date: _____
Initial Synchronization	Date: _____
Generation Testing	Date: _____
Commercial Operation	Date: _____

4. Additional Information Required as Part of this Data Form:

   All facilities, including BTM:NG Resources, and Class Year Transmission Projects, must also complete Section A, below.

A. Additional Information:

Nameplate MW: _____

Nameplate MVA: _____

Auxiliary Load: _____

For temperature sensitive units, provide MW vs. temp curves and indicate maximum summer and winter net capability below:

- Maximum summer net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 90 degrees F: _____

- Maximum winter net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 10 degrees F : _____

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

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

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

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

5. 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

   (If yes, indicate on one-line diagram).

6. What type of control system or PLC will be located at the Developer's facility?

_____

7. What protocol does the control system or PLC use?

_____

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

_____

9. Physical dimensions of the proposed interconnection station:

_____

10. Bus length from generation to interconnection station:

_____

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

_____

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

13. Number of third-party easements required for transmission lines, if known:

14. Describe any injection-limiting equipment if the facility is requesting ERIS below its full output:

15. In addition to the above information, as applicable, for BTM:NG Resources, please also provide the following information:

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

Existing load? Yes ___ No___

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

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

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

_____ Yes _____No Local provider: _____

30 Attachment X – Standard Large Facility Interconnection Procedures (Applicable to Generating Facilities that exceed 20 MWs and to Class Year Transmission Facilities)

30.1 Definitions

Whenever used in these Large Facility Interconnection Procedures with initial capitalization, the following terms shall have the meanings specified in this Section 30.1. Terms used in these procedures with initial capitalization that are not defined in this Section 30.1 shall have the meanings specified in Section 1 of the ISO OATT, Section 25.1.2 of Attachment S of the ISO OATT, or in Article 2 of the ISO Services Tariff.

Additional SDU Study shall mean a study that a Developer may elect to pursue if the Class Year Deliverability Study identifies the need for a new System Deliverability Upgrade (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study) that requires additional study.

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

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

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

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

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

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District, to which the Developer's Large Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Large Facility Interconnection Procedures.

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

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the ISO, Connecting Transmission Owner or Developer; described in Section 30.2.3 of the Large Facility Interconnection Procedures.

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

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

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

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities in Zone J and Zone K are Byways.

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

Capacity Region shall mean one of four subsets of the Installed Capacity statewide markets comprised of: (1) Rest of State (*i.e.,* Load Zones A through F); (2) Lower Hudson Valley (*i.e.,* Load Zones G, H and I); (3) New York City (*i.e.,* Load Zone J); and (4) Long Island (*i.e.,* Load Zone K), except for Class Year Studies conducted prior to Class Year 2012, for which "Capacity Region" shall be defined as set forth in Section 25.7.3 of Attachment S to the ISO OATT.

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

Class Year shall mean the group of Projects included in any particular Class Year Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in Attachment S and in Attachment Z for including such Projects.

Class Year CRIS Project: A Class Year Project with an executed Class Year Interconnection Facilities Study Agreement entering a Class Year Study for a CRIS evaluation, that thereby becomes one of the group of Class Year Projects included in the Class Year Deliverability Study.

A Class Year CRIS Project may be a "CRIS-only" Project that is entering a Class Year Study only for a CRIS evaluation, or it may be a Project seeking both ERIS and CRIS.

Class Year Deliverability Study shall mean an assessment, conducted by the ISO staff in cooperation with Market Participants, to determine whether System Deliverability Upgrades are required for Class Year CRIS Projects under the NYISO Deliverability Interconnection Standard.

Class Year Interconnection Facilities Study ("Class Year Study") shall mean a study conducted by the ISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Standard Large Facility Interconnection Procedures in this Attachment X.

Class Year Interconnection Facilities Study Agreement ("Class Year Study Agreement") shall mean the form of agreement contained in Appendix 2 of the Large Facility Interconnection Procedures in this Attachment X for conducting the Class Year Study.

Class Year Project shall mean an Eligible Class Year Project with an executed Class Year Study Agreement that thereby becomes one of the group of Projects included in any particular Class Year Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in this Attachment S and in Attachment Z for including such Projects.

Class Year Start Date shall mean the deadline for Eligible Class Year Projects to enter a Class Year Study, determined in accordance with Section 25.5.9 of Attachment S.

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

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

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

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

Confidential Information shall mean any information that is defined as confidential by Section 30.13.1 of the Large Facility Interconnection Procedures.

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to the Standard Large Generator Interconnection Agreement.

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

Contingent Facilities shall mean those Attachment Facilities and System Upgrade Facilities and/or System Deliverability Upgrades associated with Class Year Projects upon which the Large Facility's Class Year Project Cost Allocations are dependent, and if delayed or not built, could impact the actual costs and timing of the Large Facility's Project Cost Allocation for System Upgrade Facilities or System Deliverability Upgrades.

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

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

Dispute Resolution shall mean the procedure described in Section 30.13.5 of the Large Facility Interconnection Procedures for resolution of a dispute between the Parties.

Distribution System shall mean the Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the ISO's Large Facility Interconnection Procedures in this Attachment X or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Distribution Upgrades shall mean the modifications or additions to the existing Distribution System at or beyond the Point of Interconnection that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

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

Eligible Class Year Project: Any Developer or Interconnection Customer that (1) satisfies the criteria for inclusion in the next Class Year Study, as those criteria are specified in Sections 25.5.9 and 25.6.2.3.1 of Attachment S to the OATT, Section 32.1.1.7 of Attachment Z to the OATT and/or Section 32.3.5.3.2 of Attachment Z to the OATT; or (2) that seeks evaluation in a Class Year Study to obtain or increase CRIS as permitted by Attachment S to the ISO OATT and satisfies the criteria for inclusion in the next Class Year Study specified in Section 25.5.9 of Attachment S to the OATT.

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

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

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

External CRIS Rights: A determination of deliverability within the Rest of State Capacity Region (*i.e.*, Load Zones A-F), awarded by the ISO for a term of five (5) years or longer, to a specified number of Megawatts of External Installed Capacity that satisfy the requirements set forth in Section 25.7.11 of Attachment S to the ISO OATT, and that can be certified in a Bilateral Transaction used for the NYCA and not a Locality, or sold into the NYCA for an Installed Capacity auction and not in an Installed Capacity auction for a Locality.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully

established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Developer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Developer's Attachment Facilities or Distribution Upgrades.

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

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

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

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

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

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

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

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

Interconnection System Reliability Impact Study ("SRIS") shall mean an engineering study that evaluates the impact of the proposed Large Generation Facility or Class Year Transmission Project on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities, Distribution Upgrades and System Upgrade Facilities are needed for the proposed Large Generation Facility or Class Year Transmission Project of the Developer to connect reliably to the New York State Transmission System or to the Distribution System in a manner that meets the NYISO Minimum Interconnection Standard. The scope of the SRIS is defined in Section 30.7.3 of the Large Facility Interconnection Procedures in this Attachment X.

IRS shall mean the Internal Revenue Service.

Large Facility shall mean either a Large Generating Facility or a Class Year Transmission Project.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW for the production and/or storage for later injection of electricity identified in the Interconnection Request if proposing to interconnect to the New York State Transmission System or Distribution System, but shall not include (i) facilities proposing to simply receive power from the New York State Transmission System or the Distribution System; (ii) facilities proposing to interconnect to the New York State Transmission System or the Distribution System made solely for the purpose of generation with no wholesale sale for resale nor to net metering; (iii) facilities proposing to the New York State Transmission System or the Distribution System made solely for the purpose of net metering; (iv) facilities proposing to interconnect to LIPA's distribution facilities; and (v) the Interconnection Customer's Interconnection Facilities. A facility comprised of multiple Generators will be treated as a single Large Generating Facility if the facility proposed in the Interconnection Request is comprised of

multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

Local System Upgrade Facilities shall mean the System Upgrade Facilities necessary to physically interconnect a proposed Project to the Connecting Transmission Owner's transmission system, consistent with applicable interconnection and system protection design standards. Local System Upgrade Facilities include any electrical facilities required to make the physical connection (*e.g.*, a new ring bus for a line connection or facilities required to create a new bay for a substation connection). Local System Upgrade Facilities also include any system protection or communication facilities that may be required for protection of the Connecting Transmission Owner's transmission facility (line or substation) involved in the interconnection. Local System Upgrade Facilities do not include System Upgrade Facilities required to mitigate any adverse reliability impact(s) of the Project(s) identified through analysis such as power flow, short circuit, or stability (e.g., replacement of a circuit breaker at a nearby substation that becomes overdutied as a result of the Project(s)).

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

Merchant Transmission Facility shall mean a Developer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which the costs of construction will be recovered through negotiated rates instead of cost-based rates and not subject to the competitive evaluation and selection process for purposes of cost allocation under Attachment Y to the ISO OATT. Merchant Transmission Facilities shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

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

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

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

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

NYISO Deliverability Interconnection Standard – The standard that must be met, unless otherwise provided for by Attachment S to the ISO OATT, by (i) any generation facility larger than 2MW in order for that facility to obtain CRIS; (ii) any Class Year Transmission Project; (iii) any entity requesting External CRIS Rights, and (iv) any entity requesting a CRIS transfer pursuant to Section 25.9.5 of Attachment S to the ISO OATT. To meet the NYISO Deliverability Interconnection Standard, the Interconnection Customer must, in accordance with

the rules in Attachment S to the ISO OATT, fund or commit to fund any System Deliverability Upgrades identified for its Project in the Class Year Deliverability Study.

NYISO Minimum Interconnection Standard – The reliability standard that must be met by any generation facility or Class Year Transmission Project that is subject to ISO's Large Facility Interconnection Procedures in this Attachment X to the ISO OATT or the ISO's Small Generator Interconnection Procedures in Attachment Z, that is proposing to connect to the New York State Transmission System or Distribution System, to obtain ERIS. The Standard is designed to ensure reliable access by the proposed Project to the New York State Transmission System or to the Distribution System. The Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

Open Class Year shall mean the Class Year open for new members pursuant to the Class Start Date deadline specified in Section 25.5.9 of Attachment S.

Optional Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Large Generating Facility or Class Year Transmission Project to the New York State Transmission System or to the Distribution System, the scope of which is described in Section 30.6 of the Standard Large Facility Interconnection Procedures.

Optional Interconnection System Reliability Impact Study shall mean a sensitivity analysis based on assumptions specified by the Developer in the Optional Interconnection System Reliability Impact Study scope.

Other Interfaces shall mean the following interfaces into Capacity Regions: Lower Hudson Valley [*i.e.*, Rest of State (Load Zones A-F) to Lower Hudson Valley (Load Zones G, H and I)]; New York City [*i.e.*, Lower Hudson Valley (Load Zones G, H and I) to New York City (Load Zone J)]; and Long Island [*i.e.*, Lower Hudson Valley (Load Zones G, H and I) to Long Island (Load Zone K)], and the following Interfaces between the NYCA and adjacent Control Areas: PJM to NYISO, ISO-NE to NYISO, Hydro-Quebec to NYISO, and Norwalk Harbor (Connecticut) to Northport (Long Island) Cable.

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

Permissible Technological Advancement shall mean advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request, provided that such advancements result in electrical performance that is equal or better than the electrical performance prior to the technological change and do not (i) increase the capability of the Large Facility by more than two (2) megawatts, (ii) change the generation technology or fuel type of the Large Facility, (iii) have a material adverse impact on the New York State Transmission System or Distribution System, and (iv) degrade the electrical characteristics of the generating equipment proposed in the Interconnection Request (*e.g.*, the ratings, impedances, efficiencies, capabilities, and performance of the equipment under steady state and dynamic conditions).

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

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

Project: The proposed facility as described in a single Interconnection Request, to the extent permitted by Attachments X or Z to the ISO OATT, as applicable. For facilities not subject to the ISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or Small Generator Interconnection Procedures in Attachment Z to the ISO OATT, the Project refers to the facility as described in a single Class Year Study Agreement or Expedited Deliverability Studies Agreement, to the extent permitted by Attachment S to the ISO OATT.

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

Provisional Large Facility Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between the ISO, Connecting Transmission Owner(s) and the Developer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes and type of facility.

Queue Position shall mean the order of a valid Interconnection Request, Study Request, or Transmission Interconnection Application relative to all other such pending requests, that is established based upon the date and time of receipt of the valid request by the ISO, unless specifically provided otherwise in an applicable transition rule set forth in Attachment P, Attachment X or Attachment Z to the ISO OATT.

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

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

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

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

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. The ISO, the Connecting Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Large Generator Interconnection Agreement. If the ISO, the Connecting Transmission Owner and the Developer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, the ISO and the Connecting Transmission Owner must provide the Developer a written technical explanation outlining why the ISO and the Connecting Transmission Owner does not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) days of its determination.

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

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

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

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

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with good utility practice and Applicable Reliability Requirements, to make the modifications to the existing transmission

system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; land (ii) proposed interconnections. In the case of proposed interconnections, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed Project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

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

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

30.2 Scope and Application

Upon the effective date of the Standard Interconnection Procedures in Attachment HH to the ISO OATT, the requirements in this Attachment X shall no longer apply except as set forth in the transition rules in Section 40.3 of Attachment HH to the ISO OATT.

30.2.1 Application of Standard Large Facility Interconnection Procedures

Sections 30.2 through 30.13 apply to processing an Interconnection Request pertaining to (i) a Large Generating Facility or Class Year Transmission Project proposing to interconnect to the New York State Transmission System or to the Distribution System or (ii) an existing Large Generating Facility or Class Year Transmission Project proposing a material increase or modification requiring a new Interconnection Request pursuant to these Procedures.

30.2.2 Comparability

The ISO shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in the Large Facility Interconnection Procedures. As described herein, the ISO will process and analyze all Interconnection Requests with independence and impartiality, in cooperation with and with input from the Developers, Connecting Transmission Owners and other Market Participants. The ISO will perform, oversee or review the Interconnection Studies to ensure compliance with the Large Facility Interconnection Procedures. The ISO will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Developers, whether or not the Large Generating Facilities or Class Year Transmission Projects are owned by a Connecting Transmission Owner, its subsidiaries or Affiliates, or others.

30.2.3 Base Case Data

The ISO or Connecting Transmission Owner, depending upon which of those Parties

possesses the data requested, shall provide base power flow, short circuit and stability databases, including all underlying assumptions and contingency lists, to the Developer upon request. In addition, the ISO shall maintain network models and underlying assumptions within its possession on its secure portion of the NYISO website, which shall be accessible through a link from the OASIS. Such network models and underlying assumptions should reasonably represent those used during the most recent Class Year Interconnection Facilities Study and be representative of current system conditions used in the interconnection studies. All Parties shall treat Confidential Information in accordance with Section 30.13.1 of these Large Facility Interconnection Procedures. The ISO and Connecting Transmission Owner are permitted to require that Developers and password-protected website users sign a non-disclosure agreement before the release of Confidential Information or Critical Energy Infrastructure Information in the Base Case Data. The power flow, short circuit and stability data bases and underlying assumptions, hereinafter referred to as Base Cases, provided shall be those that the ISO is using in the Annual Transmission Baseline Assessment then in progress, or if such data bases are not available, the data bases from the last completed Annual Transmission Reliability Assessment conducted pursuant to Attachment S of the ISO OATT prior to the request or posting to the secure portion of the NYISO website. In the case of a request from a Developer considering or requesting CRIS, the power flow data bases provided shall include the Annual Transmission Reliability Assessment case from the most recently completed Class Year Deliverability Study.

30.2.4 No Applicability to Transmission Service or Other Services

Nothing in these Large Facility Interconnection Procedures shall constitute a request for Transmission Service or confer upon a Developer any right to receive Transmission Service. Nothing in these Large Facility Interconnection Procedures shall constitute a request for, nor

agreement to provide, any energy, Ancillary Services or Installed Capacity under the ISO Services Tariff, except to the extent that a Developer's election of Capacity Resource Interconnection Service and satisfaction of the NYISO Deliverability Interconnection Standard are prerequisites for the Large Generating Facility to become a qualified Installed Capacity Supplier and for the Class Year Transmission Project to receive Unforced Capacity Deliverability Rights.

30.2.5 Inclusion of Black Start Capability at Large Generating Facility

A Developer proposing, pursuant to this Attachment X, to interconnect a new Large Generating Facility to Zone J or to modify – i.e., materially increase (as defined in Section 30.3.1 of this Attachment X) the capacity of or make a material modification to the operating characteristics of – an existing Large Generating Facility already interconnected to Zone J that will commence Commercial Operation after November 1, 2012, shall include black start capability at the Large Generating Facility; provided, however, the Large Generating Facility shall not be required to include black start capability if:

(A) the ISO determines that: (i) the inclusion of black start capability at the Large Generating Facility would not provide a material benefit to system restoration in Zone J, or (ii) the Developer has shown good cause for not including black start capability at the Large Generating Facility, or

(B) as of November 1, 2012, the Large Generating Facility has: (i) received one or more draft or final air permits from the appropriate regulatory agency, or (ii) has completed a draft environmental impact statement and submitted it to the appropriate governmental agency for issuance for public comment.

The inclusion of black start capability at a given Large Generating Facility would provide

a material benefit to system restoration in Zone J if, among other things, such action would improve the speed, adequacy, or flexibility of Consolidated Edison Company of New York, Inc.'s ("Consolidated Edison's") black start and system restoration plan for restoring electric service in Zone J in a safe, orderly, and prompt manner following a major system disturbance that would require Consolidated Edison to undertake system restoration efforts.

To facilitate the ISO's determination regarding material benefit, Consolidated Edison shall at its expense perform contemporaneously with the Interconnection System Reliability Impact Study a separate study to examine whether a new or modified Large Generating Facility would provide a material benefit to system restoration as a black start resource. If requested by the Developer, Consolidated Edison shall perform this separate study contemporaneously with the earlier Optional Interconnection Feasibility Study. If changes to the project made subsequent to this study are deemed by the ISO to be significant, Consolidated Edison shall perform a new study at the Developer's expense. The study will indicate the black start performance measures under Consolidated Edison's black start and system restoration plan and the impact on relevant factors of the Large Generating Facility having black start capability. Consolidated Edison will provide its study to the ISO and to the Developer(s) of the Generating Facility(ies) that were considered in the study, subject to appropriate confidentiality protections. Consolidated Edison may provide the study to other parties that have a direct interest in this matter as well, subject to appropriate confidentiality protections.

If a Developer asserts that good cause exists for not including black start capability at a new or modified Large Generating Facility, it shall provide documentation demonstrating the technical, financial, spatial, and/or other reasons that justify its assertion. Factors that may constitute reasonable justification include, but are not limited to: (i) physical site limitations

would unreasonably impair the planned use of the site or prevent the inclusion of black start equipment in addition to the equipment required to properly operate and maintain the proposed Large Generating Facility; (ii) the cost of adding black start capability would increase the overall cost of the project to a level that would impair the ability of the Developer to secure financing at commercially competitive terms; or (iii) the inclusion of black start capability would prevent the Developer from obtaining the permits and approvals needed for the project, or result in the imposition of significantly more burdensome permit conditions than would be imposed absent the installation of black start capability. The Developer will provide a study to the ISO and Consolidated Edison that supports its claim under this section, subject to appropriate confidentiality protections. The Developer may provide the study to other parties that have a direct interest in this matter as well, subject to appropriate confidentiality protections.

Any decision by the ISO regarding a new or modified Large Generating Facility's installation of black start capability pursuant to these provisions shall not be considered precedential or binding on the New York State Board on Electric Generation Siting and the Environment. In the event the New York State Board on Electric Generation Siting and the Environment makes a determination regarding the installation of black start equipment in the course of its siting process under Public Service Law Article 10, the ISO will accept that determination and not make a separate determination hereunder.

30.3 Interconnection Requests

30.3.1 General

A Developer proposing to interconnect a new Large Facility to the New York State Transmission System or to the Distribution System, or proposing to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Facility that is interconnected to the New York State Transmission System or to the Distribution System shall submit to the ISO an Interconnection Request in the form of Appendix 1 to these Large Facility Interconnection Procedures. The requirement to submit an Interconnection Request applies to all Large Facilities seeking evaluation under this Attachment X to the ISO OATT, including (1) material modifications; (2) increases in capacity that results in total output in excess of 20 MW; and (3) Transmission Projects initially evaluated pursuant to Attachment P to the ISO OATT that have submitted a Transmission Interconnection Application and application fee in accordance with Attachment P to the ISO OATT and that elect to transition to the Large Facility Interconnection Procedures in order to request CRIS. An increase in the capacity of an existing Large Facility is a material increase for purposes of this Section 30.3.1 unless the increase (a) is not associated with any equipment changes or is associated with equipment changes determined by the ISO to be non-material; and (b) is an increase in the Large Facility's baseline ERIS level that is equal to or less than ten (10) megawatts or five (5) percent, whichever is greater. For purposes of this Section 30.3.1, the baseline ERIS level of an existing Large Facility is (a) the greater of (i) the existing Large Facility's CRIS level determined as a facility pre-dating Class Year 2007 pursuant to Section 25.9.3.1 of Attachment S of the ISO OATT, if applicable; or (ii) the final maximum summer megawatt electrical output studied for the total facility (including all Generators in a facility comprised of multiple Generators) for

ERIS in the ISO's interconnection process for the existing Large Facility; or (b) if neither (a)(i) nor (a)(ii) are applicable, the baseline ERIS level is the value reflected in the Large Facility's interconnection agreement or other applicable documentation governing the Large Facility's interconnection; however, if the Large Facility has requested a modification to its facility to decrease its size, and such modification has been deemed nonmaterial by the ISO, the decreased MW level will be a cap on its baseline ERIS. If the existing Large Facility is a BTM:NG Resource, the increase in existing capacity will be measured based on the increase from the existing gross capability of the generator to the proposed gross capability of the generator, as modified. Notwithstanding the above, if the existing Large Facility is a temperature sensitive unit, the maximum capacity of which varies based on ambient temperature, the increase in existing capacity will be measured based on the largest increase from the existing capacity to the proposed capacity at the same temperature, i.e., at the same temperature along the maximum megawatt electrical output versus temperature curves.

The Interconnection Request in the form of Appendix 1 to these Large Facility Interconnection Procedures must be accompanied by a non-refundable application fee of $10,000, unless the Large Facility is a Merchant Transmission Facility that was initially evaluated pursuant to Attachment P to the OATT, submitted a Transmission Interconnection Application and application fee in accordance with Attachment P to the OATT, and elects to transition to the Large Facility Interconnection Procedures in order to request CRIS to the extent permitted by Section 22.3.2 of Attachment P to the ISO OATT. The application fee shall be divided equally between the ISO and Connecting Transmission Owner(s). The Developer shall submit a separate Interconnection Request for each site unless the Large Facility is a proposed Large Facility comprised of multiple Generators behind a single Point of Injection, in which case

the Developer may submit separate Interconnection Requests or a single Interconnection Request; provided however, a multi-unit Large Facility can only be evaluated under a single Interconnection Request if (1) the Large Facility is proposed by a single Developer; (2) the individual Generators comprising the Large Facility are co-located behind the same Point of Interconnection; and (3) units in the Large Facility propose to interconnect at the same voltage levels (unless, as it proposes to interconnect, the Large Facility includes either (a) a 3-winding transformer with the potential to connect to two different voltage level lines simultaneously; or (b) a combined cycle with a generator turbine and steam turbine connected at two different voltage levels). A Developer may submit multiple Interconnection Requests for a single site.

The Developer must submit an application fee and study deposit with each Interconnection Request even when more than one request is submitted for a single site. A proposed Large Generating Facility requesting to evaluate one site at two different voltage levels shall require two Interconnection Requests unless the Large Generating Facility, as it proposes to interconnect, includes either (1) a 3-winding transformer with the potential to connect to two different voltage level lines simultaneously; or (2) a combined cycle with a generator turbine and steam turbine connected at two different voltage levels.

At Developer's option, the ISO, Connecting Transmission Owner and Developer will provide input regarding alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. During the Optional Interconnection Feasibility Study, System Reliability Impact Study, or Class Year Study, as applicable, the Connecting Transmission Owner and Affected Transmission Owner(s), identified pursuant to Section 30.3.5 of this Attachment X, shall provide input regarding proposed Point(s) of Interconnection and

configurations. Developer will select the definitive Point of Interconnection to be studied no later than the commencement of the Interconnection System Reliability Impact Study.

A Developer seeking to return a Large Generating Facility to Commercial Operations after it is Retired must submit a new Interconnection Request as a new facility. A Developer returning a Large Generating Facility to service prior to the expiration or termination of its Mothball Outage or ICAP Ineligible Forced Outage need not submit a new Interconnection Request unless the Large Generating Facility is making modifications or is increasing its capacity such as would otherwise trigger a new Interconnection Request for an existing Large Generating Facility.

30.3.2 Types of Interconnection Service

30.3.2.1 Two Types of Service

The ISO offers Energy Resource Interconnection Service under the Large Facility Interconnection Procedures for interconnection in compliance with the NYISO Minimum Interconnection Standard. The ISO also offers CRIS under the Large Facility Interconnection Procedures for interconnection in compliance with the NYISO Deliverability Interconnection Standard.

30.3.2.2 Service Elections, Generally

All Large Facilities must interconnect in compliance with the NYISO Minimum Interconnection Standard. In addition, Large Facilities must also comply with the NYISO Deliverability Interconnection Standard before Large Generating Facilities can become qualified Installed Capacity Suppliers and before Class Year Transmission Projects can receive Unforced Capacity Deliverability Rights. A Developer initially states its election to be evaluated in its Interconnection Studies for ERIS alone, or for both ERIS and CRIS, as a part of its

Interconnection Request. For Projects comprised of multiple Generators, a Developer must request ERIS for the Large Facility, such ERIS to be allocated among the multiple Generators comprising the Large Facility as requested by Developer in its Interconnection Request; provided however, the requested allocation for ERIS for the Intermittent Power Resource in a Co-located Storage Resource cannot exceed the Point of Injection limit plus the full withdrawal capability of the Energy Storage Resource. An existing Large Generating Facility requesting only CRIS must request CRIS in an Open Class Year Study or an Expedited Deliverability Study unless it is requesting CRIS pursuant to Section 30.3.2.6 of this Attachment X. The ISO evaluates an Interconnection Request for compliance with the Minimum Interconnection Standard throughout the Interconnection Study process. The ISO evaluates an Interconnection Request for compliance with the Deliverability Interconnection Standard formally during the Class Year Deliverability Study. At other times during the Interconnection Study process, during the Optional Interconnection Feasibility Study and the Interconnection System Reliability Study, the ISO will assist any Developer requesting CRIS to assess potential system deliverability issues by providing the Developer, upon its request, with the Annual Transmission Reliability Assessment case from the most recently completed Class Year Deliverability Study. The Developer may modify its interconnection service evaluation election (whether the Large Facility requests ERIS or ERIS and CRIS) and, for Large Facilities comprised of multiple Generators, the requested allocation of ERIS and or CRIS among its multiple units, to the extent the modification is not a Material Modification, when it executes the Class Year Study Agreement for its project in accordance with Section 30.8.1 of these Large Facility Interconnection Procedures. At that time, the Developer may reduce the number of MW it initially requested to be evaluated for CRIS, and such a reduction shall not constitute a Material Modification. .

30.3.2.3 ERIS Elections

A Large Facility that elects ERIS, and not CRIS, will not be able to become an eligible Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights. Such a Large Facility will be eligible to participate only in the energy and applicable ancillary service markets. When a Developer elects ERIS its project will be evaluated in the Interconnection Studies at full output, unless the Developer requests ERIS below the full generating capacity of a Large Generating Facility or full facility capacity for a Class Year Transmission Project. If the Developer requests ERIS below the full capacity of the Large Facility, the ISO shall study the Large Facility at the requested ERIS for purposes of Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and associated costs. However, if the maximum capacity that the Large Facility is capable of injecting into the New York State Transmission System (or Distribution System as applicable) is limited (i.e., through the use of control system, power relay(s), or other similar device settings or adjustments), then the Developer must obtain the ISO's and Connecting Transmission Owner's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Developer proposes to implement such a limit will not adversely affect the safety and reliability of the New York State Transmission System (or Distribution System as applicable). If the ISO and Connecting Transmission Owner do not agree with the proposed manner to limit output, then the Developer can either withdraw its Interconnection Request or modify its Interconnection Request to specify the maximum capacity that the Large Facility is capable of injecting into the New York State Transmission System (or Distribution System as applicable) without such limitations. The ISO and Connecting Transmission Owner, based on Good Utility Practice and related engineering considerations and after accounting for any control technology proposed by the Developer, may require further studies of the Large Facility at its full output to ensure the safety and reliability of

the New York State Transmission System (or Distribution System as applicable), with the additional study costs borne by the Developer. The ISO and Connecting Transmission Owner shall provide the Developer with an explanation of its determination to perform studies at the Large Facility's full capacity before beginning such studies. If the ISO and Connecting Transmission Owner determine that additional System Upgrade Facilities are necessary after the additional studies are complete, the ISO and Connecting Transmission Owner must: (1) specify which additional System Upgrade Facilities costs are based on which studies; and (2) provide a detailed explanation of why the additional System Upgrade Facilities are necessary. The Developer may be responsible for additional System Upgrade Facilities and/or additional control technologies, as well as testing and validation of those technologies consistent with Article 6 of its Interconnection Agreement. The necessary control technologies and protection systems, as well as any potential penalties for exceeding the level of ERIS established in the executed, or requested to be filed unexecuted, Standard Large Generator Interconnection Agreement, shall be set forth in Appendix C of the executed, or requested to be filed unexecuted, Standard Large Generator Interconnection Agreement.

When a Developer elects ERIS and interconnects under ERIS, the Developer may at a later date ask the ISO to reevaluate the Large Facility for CRIS by including the Large Facility in a Class Year Study or Expedited Deliverability Study.

30.3.2.4 CRIS Elections

The amount of CRIS requested by a Developer shall be stated in MW of Installed Capacity ("ICAP"), and cannot exceed the permissible levels set forth in Section 25.8.1 of Attachment S to the ISO OATT. When a Developer elects CRIS, the ISO will evaluate the deliverability of the Large Facility by applying the test methodology described in Section 25.7 of

Attachment S to the ISO OATT. The ISO will apply this test methodology to identify the System Deliverability Upgrades, if any, needed to make the Large Facility deliverable at its requested CRIS MW level and will also identify the MW of Installed Capacity, if any, that are deliverable from the Large Facility with no System Deliverability Upgrades. A Large Facility electing CRIS will be able to become a qualified Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights to the extent of its deliverable capacity, once it has funded or committed to fund any required System Deliverability Upgrades in accordance with the relevant provisions of Attachment S to the ISO OATT. A Developer qualifying for CRIS will have two CRIS values: one for the summer capability period and one for the winter capability period. The CRIS value, in MW of Installed Capacity, for the summer capability period will be set using the deliverability test methodology and procedures described in Section 25.7 of Attachment S to the ISO OATT. The CRIS value for the winter capability period, also in MW of Installed Capacity, will be set in accordance with Section 25.7.6 of Attachment S to the ISO OATT.

30.3.2.5 Partial CRIS Service

A Developer may elect partial CRIS, measured in whole MW of Installed Capacity, for its Large Facility.

30.3.2.6 Increases In Established CRIS Values

Any facility with an established CRIS value may at a later date, without submitting a new Interconnection Request, ask the ISO to reevaluate the Large Facility for a higher level of MW of Installed Capacity, not to exceed the levels permitted by Section 25.8.1 of Attachment S, by including the Project in a Class Year Study or Expedited Deliverability Study to identify whether the Project is deliverable at the higher level of MW. Any facility with an established CRIS value may, without such evaluation and without submitting a new Interconnection Request, increase

that CRIS value by a total of no more than 2 MW of Installed Capacity during the operating life of the facility, to the extent such increase in CRIS does not exceed the levels permitted by Section 30.3.2.4 of this Attachment X; provided however, for facilities comprised of multiple Generators, this CRIS increase is permitted only at the facility (i.e., Project) level, not at the individual Generator level. A Project that receives a CRIS increase pursuant to this Section 30.3.2.6, to the extent it later combines with another facility or Project to become a co-located resource (e.g., Co-located Storage Resources or a Distributed Energy Resource), is not eligible for any additional CRIS increase above a single increase up to 2 MW, without proceeding through a deliverability evaluation in a Class Year Study or Expedited Deliverability Study. For purposes of this Section 30.3.2.6, an "established CRIS value" for facilities subject to a CRIS set and reset period pursuant to Section 25.9.3.3, Section 25.9.3.1.4.1, Section 25.9.3.1.4.2, or Section 25.9.3.5 of Attachment S to the ISO OATT is the final CRIS value established after the termination of the CRIS set and reset period.

30.3.2.7 The Interconnection Studies

The Interconnection Studies conducted under the Large Facility Interconnection Procedures consist of short circuit/fault duty, steady state (thermal and voltage) and stability analyses designed to identify the Attachment Facilities, Distribution Upgrades and System Upgrade Facilities required for the reliable interconnection of Large Facilities to the New York State Transmission System or to the Distribution System in compliance with the NYISO Minimum Interconnection Standard, as well as the deliverability analysis described in Attachment S to the OATT designed to identify the System Deliverability Upgrades required for reliable interconnection in compliance with the NYISO Deliverability Interconnection Standard, where applicable.

30.3.3 Valid Interconnection Request

30.3.3.1 Initiating an Interconnection Request

To initiate an Interconnection Request, Developer must submit all of the following: (i) a $10,000 non-refundable application fee; (ii) a completed application in the form of Appendix 1; and (iii) demonstration of Site Control or a posting of an additional deposit of $10,000. If Developer provides Site Control that the ISO deems deficient, but subsequently demonstrates Site Control accepted by the ISO within the cure period specified in Section 30.3.3.3, the deposit in lieu of Site Control shall be refundable; otherwise, such deposit becomes non-refundable.

The expected Commercial Operation Date of the new Large Facility or proposed increase in capacity of the existing Large Facility provided at the time of the submission of the Interconnection Request shall be no more than ten (10) years from the date the Interconnection Request is received by the ISO. Extensions of Commercial Operation Dates are governed by Section 30.4.4.5.

30.3.3.2 Acknowledgment and Notification of Interconnection Request

The ISO shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement it returns to the Developer. At the same time, the ISO shall forward a copy of the Interconnection Request and its acknowledgement to the Connecting Transmission Owner with whom the Developer is proposing to connect; provided, however, that any Interconnection Request that is submitted for a proposed project subject to the ISO's competitive selection process in the ISO's Comprehensive System Planning Process in Attachment Y to the ISO OATT shall not be forwarded to the Connecting Transmission Owner(s) until the close of the applicable solicitation window.

30.3.3.3 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 30.3.3.1 have been received by the ISO and the applicable solicitation window has closed for any Interconnection Request that is submitted for a proposed project subject to the ISO's competitive selection process in the ISO's Comprehensive System Planning Process in Attachment Y to the ISO OATT. If an Interconnection Request fails to meet the requirements set forth in Section 30.3.3.1, the ISO shall notify the Developer and Connecting Transmission Owner within ten (10) 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. However, for any Interconnection Request that is submitted for a proposed project subject to the ISO's competitive selection process in the ISO's Comprehensive System Planning Process in Attachment Y to the ISO OATT and that fails to meet the requirements set forth in Section 22.4.2.1, the ISO shall notify the Developer and the Connecting Transmission Owner(s) no later than ten (10) Business Days following the close of the applicable solicitation window. The Developer shall provide the ISO the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. The ISO shall promptly forward such information to the Connecting Transmission Owner; provided, however, for any Interconnection Request that is submitted for a proposed project subject to the ISO's competitive selection process in the ISO's Comprehensive System Planning Process in Attachment Y of the ISO OATT, such information will not be forwarded to the Connecting Transmission Owner(s) until the close of the applicable solicitation window. Failure by Developer to comply with this Section 30.3.3.3 shall be treated in accordance with Section 30.3.6.

30.3.3.4 Scoping Meeting

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

The purpose of the Scoping Meeting shall be to reinforce the roles and responsibilities of all parties in the interconnection process, discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection, and to determine if Developer wishes to proceed with an Optional Interconnection Feasibility Study. The ISO, Connecting Transmission Owner and Developer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general stability issues, (iii) general short circuit issues, (iv) general voltage issues, (v) general reliability issues, and (vi) general system protection issues, and (vii) general deliverability issues as may be reasonably required to accomplish the purpose of the meeting. The Connecting Transmission Owner and Affected Transmission Owner(s), identified pursuant to Section 30.3.5 of this Attachment X, shall provide input regarding proposed Point(s) of Interconnection and configurations. The ISO, Connecting Transmission Owner, Affected Transmission Owner(s), and Developer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Developer shall designate its Point of Interconnection, pursuant to Section 30.6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose. Within five (5) Business Days after the Scoping Meeting, Developer shall advise the ISO

whether it elects to proceed with an Optional Interconnection Feasibility Study; *provided, however,* that such requirement is subject to the interim transition timeframe and procedures for electing to proceed to an Optional Interconnection Feasibility Study set forth in Section 30.5.3.

30.3.4 OASIS Posting

30.3.4.1 The ISO will maintain on its OASIS or a publicly accessible portion of its website a list of all valid Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date, Initial Synchronization Date and Commercial Operation Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the identity of the Developer; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Large Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. Before holding a Scoping Meeting with an Affiliate of a Connecting Transmission Owner and that Connecting Transmission Owner, the ISO shall post on its OASIS an advance notice of its intent to do so. The ISO shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection System Reliability Impact Study reports shall be posted to the ISO password-protected website subsequent to the meeting between the Developer, The ISO and Connecting Transmission Owner to discuss the applicable study results. The ISO shall also post any known deviations in date proposed by the Large Facility in Section 30.3.4(iv), above.

30.3.4.2 Requirement to Post Interconnection Study Metrics

The ISO will maintain on the its OASIS or a publicly accessible portion of its website summary statistics related to processing of Interconnection Studies pursuant to Interconnection Requests, which will be updated on a quarterly calendar basis. For purposes of this section, an Interconnection Study is deemed complete on the date upon which the study itself is completed and an initial study report is circulated to the Developer and the Connecting Transmission Owner(s). Further, the statistics related to processing of Interconnection Studies will exclude days within which, in the event of a withdrawal notice issued by the ISO pursuant to Section 30.3.6 of this Attachment X, the Developer is permitted to cure the deficiencies that prompted the withdrawal notice. For each calendar quarter, the ISO must calculate and post the information detailed in Sections 30.3.4.2.1 through 30.3.4.2.4 below.

30.3.4.2.1 Optional Interconnection Feasibility Studies processing time.

(A) Number of Interconnection Requests that opted for an Optional Interconnection Feasibility Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter;

(B) Number of Interconnections Requests that had an Optional Interconnection Feasibility Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter that were completed more than 45 Calendar Days or 90 Calendar Days (if the Developer elected the more detailed scope per Section 30.6.2 of this Attachment X) after the start of the study, which is the date that the ISO notifies the parties that the study commenced following the latter of: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of

the required technical data; or (iii) acceptance by the Connecting Transmission Owner(s) of the study scope for the Optional Interconnection Feasibility Study;

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Optional Interconnection Feasibility Studies where the ISO started the study (i.e., the date that the ISO notifies the parties that the study commenced following the latter of: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of the required technical data; or (iii) acceptance by the Connecting Transmission Owner(s) of the study scope for the Optional Interconnection Feasibility Study) more than 45 Calendar Days or 90 Calendar Days (if the Developer elected the more detailed scope per Section 30.6.2 of this Attachment X) before the end of the reporting quarter;

(D) Mean time (in days), Optional Interconnection Feasibility Studies completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter, from the date that the ISO notifies the parties that the study commenced following the latter of the following dates: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of the required technical data; or (iii) acceptance by the Connecting Transmission Owner(s) of the study scope for the Optional Interconnection Feasibility Study to the date when the ISO completed the Optional Interconnection Feasibility Study;

(E) Percentages of Optional Interconnection Feasibility Studies exceeding 45 Calendar Days and 90 Calendar Days (if the Developer elected the more detailed scope per Section 30.6.2 of this Attachment X) to complete in the reporting quarter, calculated as the sum of Sections 30.3.4.2.1(B) and 30.3.4.2.1(C) divided by the sum of Sections 30.3.4.2.1(A) and 30.3.4.2.1(C).

30.3.4.2.2 Interconnection System Reliability Impact Studies processing time.

(A) Number of Interconnection Requests that had an Interconnection System Reliability Impact Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter;

(B) Number of Interconnections Requests that had an Interconnection System Reliability Impact Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter that were completed more than 90 Calendar Days after the start of the study, which is the date that the ISO notifies the parties that the study commenced following the latter of: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of the required technical data; (iii) confirmation of Site Control; or (iv) approval of the study scope for the Interconnection System Reliability Study by the ISO Operating Committee;

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Interconnection System Reliability Impact Studies where the ISO started the study (i.e., the date that the ISO notifies the parties that the study commenced following the latter of: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of the required technical data; (iii) confirmation of Site Control; or (iv) approval of the study scope for the Interconnection System Reliability Study by the NYISO Operating Committee) more than 90 Calendar Days before the reporting quarter end;

(D) Mean time (in days), Interconnection System Reliability Impact Studies completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter, from the date that the

ISO notifies the parties that the study commenced following the latter of the following dates: (i) confirmation of receipt of the required study deposit; (ii) confirmation of receipt of the required technical data; (iii) confirmation of Site Control; or (iv) approval of the study scope for the Interconnection System Reliability Study by the ISO Operating Committee to the date when the ISO completed the Interconnection System Reliability Impact Study;

(E) Percentage of Interconnection System Reliability Impact Studies exceeding 90 Calendar Days to complete the reporting quarter, calculated as the sum of Sections 30.3.4.2.2(B) and 30.3.4.2.2(C) divided by the sum of Sections 30.3.4.2.2(A) and 30.3.4.2.2(C).

30.3.4.2.3 Class Year Interconnection Facilities Studies processing time.

(A) Number of Interconnection Requests that had a Class Year Interconnection Facilities Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter;

(B) Number of Interconnections Requests that had an Class Year Interconnection Facilities Study completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter that were completed beyond the schedule set forth in Section 25.5.9 of Attachment S to the ISO OATT following the Class Year Study Start Date;

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Class Year Interconnection Facility Studies, where such Interconnection Requests are included in a commenced Class Year Interconnection Facility Study, that exceed the schedule set forth in Section 25.5.9 of Attachment S to the ISO OATT following the Class Year Study Start Date but before the reporting quarter end;

(D) Mean time (in days), Class Year Interconnection Facility Studies completed by the ISO for a Large Facility seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) during the reporting quarter, from the Class Year Study Start Date to the date when the ISO completed the Class Year Interconnection Facilities Study;

(E) Percentage of Class Year Interconnection Facilities Studies exceeding the schedule set forth in Section 25.5.9 of Attachment S to the ISO OATT to complete the reporting quarter, calculated as the sum of Sections 30.3.4.2.3(B) and 30.3.4.2.3(C) divided by the sum of Sections 30.3.4.2.3(A) and 30.3.4.2.3(C).

30.3.4.2.4 Interconnection Requests Withdrawn from Interconnection Queue.

(A) Number of Interconnection Requests under the Large Facility Interconnection Procedures withdrawn from the ISO's interconnection queue during the reporting quarter;

(B) Number of Interconnection Requests under the Large Facility Interconnection Procedures withdrawn from the ISO's interconnection queue during the reporting quarter before completion of any Interconnection Studies or the ISO's confirmation of the required study deposits or required technical data for any Interconnection Studies;

(C) Number of Interconnection Requests under the Large Facility Interconnection Procedures withdrawn from the ISO's interconnection queue during the reporting quarter before completion of an Interconnection System Reliability Impact Study;

(D) Number of Interconnection Requests under the Large Facility Interconnection Procedures withdrawn from the ISO's interconnection queue during the reporting quarter before completion of a Class Year Interconnection Facilities Study;

(E) Number of Interconnection Requests withdrawn from the ISO's interconnection queue after execution of a Large Generator Interconnection Agreement or the filing of an unexecuted, new Large Generator Interconnection Agreement at the Developer's request;

(F) Mean time (in days), for all withdrawn Interconnection Requests under the Large Facility Interconnection Procedures from the date when the Interconnection Request was determined to be valid to the date when the ISO received the request to withdraw the Interconnection Request from the queue.

30.3.4.3 The ISO is required to post on the ISO's OASIS or on a publicly accessible portion of its website the measures in Section 30.3.4.2.1(A) through Section 30.3.4.2.3(F) for each calendar quarter within 30 Calendar Days of the end of the calendar quarter. The ISO will keep the quarterly measures posted on OASIS or on a publicly accessible portion of its website for three (3) calendar years with the first required report to be in the first quarter of 2020. If the ISO retains this information on a publicly accessible portion of its website, the ISO shall have a link to the information on its OASIS.

30.3.4.4 In the event that any of the values calculated in Sections 30.3.4.2.1(F), 30.3.4.2.2(F), or 30.3.4.2.3(E) exceeds 25 percent for two (2) consecutive calendar quarters, the ISO will have to comply with the measures below for the next four (4) consecutive calendar quarters and must continue reporting this information until the ISO reports four (4) consecutive calendar quarters without the values calculated in Sections 30.3.4.2.1(E), 30.3.4.2.2(E), or 30.3.4.2.3(E) exceeding 25 percent for two (2) consecutive calendar quarters:

(i) The ISO must file a report with the Commission describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline for completion (excluding any allowance for Reasonable Efforts). The ISO must

describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The report must be filed at the Commission within 45 Calendar Days of the end of the calendar quarter.

(ii) The ISO shall aggregate the total number of employee hours and third-party consultant hours expended by the ISO and the applicable Connecting Transmission Owner(s) towards Interconnection Studies for Interconnection Requests seeking to interconnect to the New York State Transmission System (or Distribution System as applicable) that quarter and post on the ISO's OASIS or a publicly accessible portion of its website. This information is to be posted within 30 Calendar Days of the end of the calendar quarter.

30.3.5 Coordination with Affected Systems

The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, as soon as they are identified – either by their own accord, by the Connecting Transmission Owner, by the ISO or by members of the ISO's Operating Committee or Transmission Planning Advisory Subcommittee of the ISO's Operating Committee. The ISO will include those results on Affected Transmission Owner systems in its applicable Interconnection Study within the time frame specified in these Large Facility Interconnection Procedures. The ISO will also include results, if available, on other Affected Systems. The ISO will invite such Affected System Operators to all meetings held with the Developer as required by these Large Facility Interconnection Procedures. The Developer will cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. An Affected System Operator shall cooperate with the ISO and Connecting Transmission Owner with whom interconnection has been requested in all matters related to the type and/or conduct of studies and

the determination of modifications to Affected Systems. The ISO shall include in the appropriate interconnection study proposed studies requested by an identified Affected Transmission Owner to the extent such studies are reasonably justified in accordance with Good Utility Practice.

Upon completion of a Class Year Study in which a Developer accepts its Project Cost Allocation for System Upgrade Facilities and/or System Deliverability Upgrades and funds or commits to fund such upgrades as required by Attachment S, the Developer and Affected System Operator(s) will cooperate with the ISO in development of an Engineering, Procurement and Construction to provide for the engineering, procurement and construction of the System Upgrade Facilities and/or System Deliverability Upgrades on the Affected System. The Engineering, Procurement and Construction Agreement shall be consistent with the NYISO's Commission-approved Standard Large Generator Interconnection Agreement located in Appendix 2 to Attachment X of the OATT, modified to address only the engineering, procurement and construction of the System Upgrade Facilities and/or System Deliverability Upgrades. The Parties to such agreement will use Reasonable Efforts to complete and execute the agreement, or submit the agreement unexecuted to the Commission, within six (6) months of the ISO's tender of the agreement.

For identified Affected Transmission Owner(s) of facilities electrically adjacent to the Point of Interconnection and that have design criteria, operational criteria or other local planning criteria applicable to either (1) the substation to which the Developer proposes to interconnect; or (2) the substation that will be required to be built to accommodate the interconnection, the ISO shall provide such Affected Transmission Owner(s) with the opportunity to review and provide comments on all study scopes, study reports and drafts thereof for the project, and will be

included on communications regarding the project and meetings discussing the project or any of its studies, where such communications or meetings involve the ISO, Developer and Connecting Transmission Owner. The ISO shall include in the appropriate interconnection study proposed studies requested by such an identified Affected Transmission Owner to the extent such studies are reasonably justified in accordance with Good Utility Practice.

30.3.6 Withdrawal

The Developer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the ISO. In addition, if the Developer fails to adhere to all requirements of these Large Facility Interconnection Procedures, except as provided in Section 30.13.5 (Disputes), the ISO shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Developer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Developer shall have a cure period of fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify the ISO of its intent to pursue Dispute Resolution; except that such cure period does not extend specific deadlines set forth in Sections 25.6.2.3.2 and 25.8.2 of Attachment S and the deadlines for study agreement execution and submittal of all required deposits set forth in Section 30.8.1 of this Attachment X (i.e., Developer cannot obtain an additional fifteen (15) business days by virtue of the cure period to comply with the requirements of the above-referenced tariff provisions, but could use the cure period to provide evidence that Developer did in fact provide the required information by the tariff-required date).

Withdrawal shall result in the loss of the Developer's Queue Position. If a Developer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the Developer's Interconnection Request is eliminated from the queue until such time that the

outcome of Dispute Resolution would restore its Queue Position. A Developer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to the ISO and Connecting Transmission Owner all costs that the ISO and Connecting Transmission Owner prudently incur with respect to that Interconnection Request prior to the receipt of notice described above. The Developer must pay all monies due to the ISO and Connecting Transmission Owner before it is allowed to obtain any Interconnection Study data or results.

The ISO shall (i) update the OASIS Queue Position posting and (ii) after all outstanding invoices for study work for the project have been received by the ISO, refund to the Developer any portion of the Developer's deposit or study payments that exceeds the costs that the ISO has incurred and any interest actually earned on the deposited amount. In the event of such withdrawal, the ISO and Connecting Transmission Owner, subject to the confidentiality provisions of Section 30.13.1, shall provide, at Developer's request, all information that the ISO and Connecting Transmission Owner developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

30.3.7 Identification of Contingent Facilities

The ISO shall identify Contingent Facilities through the Class Year Interconnection Facilities Study under Attachment S to the ISO OATT, and specify such Contingent Facilities in the Interconnection Agreement. The method for identifying Contingent Facilities shall be sufficiently transparent as to why the ISO identifies Contingent Facilities and how they relate to the Class Year Project. Consistent with the analyses performed in the Class Year Study under Section 25.6 of Attachment S, the ISO shall evaluate the impact on short circuit, thermal, voltage, or stability of unbuilt Attachment Facilities and System Upgrade Facilities and/or System Deliverability Upgrades associated with Class Year Projects. The ISO shall identify

those unbuilt facilities in the Annual Transmission Baseline Assessment and the Annual Transmission Reliability Assessment against which the Class Year Project is evaluated as Contingent Facilities if the impact on short circuit, thermal, voltage, or stability of the unbuilt facilities exceeds the de minimis standards set forth in Sections 25.6.2.6.1.1 through 25.6.2.6.1.4 of Attachment S to the ISO OATT. A Developer may also request the ISO to provide the estimated costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and not commercially sensitive.

30.4 Queue Position

30.4.1 General

The ISO shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Developer provides such information in accordance with Section 30.3.3.3, then the ISO shall assign the Developer a Queue Position based on the date the application form was originally filed. The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies. A higher queued Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

30.4.2 Clustering

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

Clustering shall be implemented on the basis of Queue Position. If the ISO elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window" shall be studied together. Deadlines for completing all Interconnection System Reliability Impact Studies for all Interconnection Requests assigned to the same Queue Cluster Window shall be in accordance with Section 30.7.4. The ISO may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Facility.

Clustering Interconnection System Reliability Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission

expansion plan in light of the New York State Transmission System capabilities at the time of each study.

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

30.4.3 Transferability of Queue Position

A Developer may transfer its Queue Position to another entity only if such entity acquires the specific Large Facility identified in the Interconnection Request, the Point of Interconnection does not change and the acquiring Developer demonstrates Site Control for its Project. As a result of such a transfer, the acquiring entity shall become the Developer of the specific Large Facility identified in the Interconnection Request.

Notwithstanding the foregoing, for a Project in the Interconnection Queue prior to [insert effective date], the Developer may, prior to the return of the executed Interconnection Facility Study Agreement to the ISO, modify the Project by combining it with another Project in the Interconnection Queue pursuant to Section 30.4.4.2 of this Attachment X.

30.4.4 Modifications

The Developer shall submit to the ISO, in writing, a Large Facility Modification Request in the form of Appendix 3 to these Large Facility Interconnection Procedures for modifications to any information provided in the Interconnection Request. The Developer shall retain its Queue Position if the modifications are permitted in accordance with Sections 30.4.4.1, 30.4.4.2,

30.4.4.5, 30.4.4.6, or 30.4.4.7 or are determined not to be Material Modifications pursuant to Section 30.4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Developer or the ISO or Connecting Transmission Owner may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the New York State Transmission System to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the ISO, Connecting Transmission Owner and Developer, such acceptance not to be unreasonably withheld, the ISO shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 30.6.4, Section 30.7.6 and Section 30.8.5 as applicable and Developer shall retain its Queue Position.

30.4.4.1 Prior to the commencement of the Interconnection System Reliability Impact Study as posted on the ISO's interconnection queue, modifications permitted under this section shall include specifically: (a) a decrease of up to 60 percent 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 30.3.2.3) accomplished by applying injection-limiting equipment that is agreed to by the ISO and the Connecting Transmission Owner; (b) modifying the technical parameters associated with the Large Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases other than increases resulting from a Permissible

Technological Advancement, the incremental increase in plant output will go to the end of the queue for the purposes of study analysis.

30.4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to the ISO, the modifications permitted under this section shall include specifically: (a) additional 15 percent decrease of electrical output (MW) of the proposed project through either (1) a decrease in the plant size or (2) a decrease in the interconnection service level (consistent with the process described in Section 30.3.2.3) accomplished by applying injection-limiting equipment that is agreed to by the ISO and the Connecting Transmission Owner; (b) Large Facility technical parameters associated with modifications to Large Facility technology and transformer impedances; (c) a Permissible Technological Advancement for the Large Facility after the submission of the Interconnection Request; and (d) a reduction in the number of MW the Developer requests to be evaluated for CRIS; provided, however, the incremental Interconnection Study costs associated with those modifications are the responsibility of the requesting Developer. For a technological change, Section 30.4.4.7 specifies a separate Technological Change Procedure, which the ISO, in consultation with the Connecting Transmission Owner to the extent practicable, will follow to assess whether a Developer's requested change constitutes a Permissible Technological Advancement, as defined in Section 30.1 of this Attachment X.

For a Project in the Interconnection Queue prior to [insert effective date], the Developer may, prior to the return of the executed Interconnection Facility Study Agreement to the ISO, modify the Project by combining it with another Project in the Interconnection Queue, even if the Projects are different technologies; provided however, the Projects must (i) be co-located behind the the same Point of Interconnection; (ii) submit a revised Interconnection Request reflecting the modification to become a Project comprised of multiple Generators as well as identifying the Developer of record for purposes of the interconnection process; and (iii) demonstrate the manner in which such Developer of record retains Site Control for the combined Project. For a Project requesting a modification under this Section 30.4.4.2, upon ISO approval of such modification, the combined Project shall proceed as a single Project for purposes of the next interconnection study required for the Project more advanced in the interconnection study process (*i.e.*, a Project with a completed SRIS may combine with a Project without a completed SRIS; provided however, the combined Project will be evaluated as a single Project in the Class Year Study).

30.4.4.3 Prior to making any modification other than those specifically permitted by Sections 30.4.4.1, 30.4.4.2, 30.4.4.5, 30.4.4.6, and 30.4.4.7, Developer may first request that the ISO evaluate whether such modification is a Material Modification. In response to Developer's request, the ISO shall evaluate the proposed modifications prior to making them and inform the Developer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection except those deemed acceptable under

Section 30.4.4.1, 30.6.1, 30.7.2 or so allowed elsewhere shall constitute a Material Modification. Unless requested prior the commencement of the System Reliability Impact Study, any increase in requested CRIS from the requested CRIS set forth in the Interconnection Request or any request for CRIS not included in the Interconnection Request (*i.e.*, if the Interconnection Request included only a request for ERIS) shall constitute a Material Modification. Any modification to a Class Year Project during a Class Year Study for which it is a member shall consistute a Material Modification. For proposed modifications deemed to be Material Modifications, the Developer may withdraw the proposed modification request or proceed with a new Interconnection Request for such modification.

30.4.4.4 Upon receipt of Developer's request for modification permitted under this Section 30.4.4, the ISO shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the ISO commence such studies later than thirty (30) Calendar Days after receiving notice of Developer's request. Any additional studies resulting from such modification shall be done at Developer's cost.

30.4.4.5 Extensions of the proposed Commercial Operation Date will not be Material Modifications if:

30.4.4.5.1 The proposed Commercial Operation Date is within four (4) years from the following date:

30.4.4.5.1.1 For all Large Facilities and for Small Generating Facilities subject to Attachment S, the date the Developer and all other Developers remaining in the

Class Year post security as part of a Class Year Interconnection Facilities Study (*i.e.,* completion of the Class Year).

30.4.4.5.1.2 For Small Generating Facilities not subject to Attachment S, the date the ISO tenders the SGIA to the Interconnection Customer.

30.4.4.5.2 Developer may request an extension of its Commercial Operation Date beyond the limit specified in Section 30.4.4.5.1. Such request will not be a Material Modification only if the following conditions have been met:

30.4.4.5.2.1 Developer must have an executed Interconnection Agreement for the project or have an unexecuted Interconnection Agreement jointly filed at FERC by the ISO and Connecting Transmission Owner; and

30.4.4.5.2.2 Developer must demonstrate (via an Officer certification) that it has made reasonable progress against milestones set forth in the Interconnection Agreement (*e.g.,* completion of engineering design, major equipment orders, commencement and continuation of construction of the Large Facility and associated System Upgrade Facilities, as applicable). If Developer has requested an unexecuted Interconnection Agreement be filed with FERC, Developer must meet this requirement within sixty (60) days of a FERC Order on the unexecuted Interconnection Agreement.

30.4.4.5.3 For projects in the ISO interconnection queue that as of February 18, 2013 have accepted Project Cost Allocations and posted Security for System Upgrade Facilities from the final round of a Class Year Interconnection Facilities Study, the following criteria must be satisfied with respect to the proposed Commercial Operation Date:

30.4.4.5.3.1 The project's proposed Commercial Operation Date posted on the ISO interconnection queue as of February 18, 2013 must be within the limit specified in Section 30.4.4.5.1; or

30.4.4.5.3.2 The project's proposed Commercial Operation Date posted on the ISO interconnection queue as of February 18, 2013 must have been reviewed by the ISO and determined not to be a Material Modification prior to February 18, 2013; or

30.4.4.5.3.3 If the project's proposed Commercial Operation Date posted on the ISO interconnection queue as of February 18, 2013 is beyond the limit specified in Section 30.4.4.5.1 and the project has not satisfied Section 30.4.4.5.3.2, the following conditions must be satisfied or the project will be withdrawn from the ISO interconnection queue:

30.4.4.5.3.3.1 Within sixty (60) days of February 18, 2013, Developer must either (1) have an executed Interconnection Agreement for the project; or (2) have an unexecuted Interconnection Agreement jointly filed at FERC by the ISO and Connecting Transmission Owner; and

30.4.4.5.3.3.2 Within sixty (60) days of execution of an Interconnection Agreement or a FERC Order on an unexecuted Interconnection Agreement, as applicable, Developer must demonstrate (via an Officer certification) that it has made reasonable progress against milestones set forth in the Interconnection Agreement (*e.g.*, completion of engineering design, major equipment orders, commencement and continuation of construction of the Large Facility and associated System Upgrade Facilities, as applicable).

30.4.4.5.3.4 For a project that is subject to Section 30.4.4.5.3, subsequent requests for an extension of the project's Commercial Operation Date (*i.e.,* requests submitted to the ISO after February 18, 2013) will not be a Material Modification only if Developer satisfies the requirements set forth in Section 30.4.4.5.2.

30.4.4.5.4 Prior to the expiration of the proposed In-Service Date posted on the ISO interconnection queue, as applicable, Developer is obligated to provide the ISO with notice of any proposed extensions of proposed In-Service Date, proposed Initial Synchronization Date or proposed Commercial Operation Date, as applicable, as soon as it becomes apparent to Developer that the most recent proposed In-Service Date posted on the ISO's interconnection queue is infeasible.

30.4.4.6 Any increase by the Developer, after it executes the Class Year Interconnection Facilities Study Agreement, in the number of MW of Installed Capacity that it previously requested to be evaluated for CRIS shall constitute a Material Modification. Any decrease in the number of MWs the Developer requests, pursuant to Section 25.7.7.1 of Attachment S to the ISO OATT, to be evaluated for CRIS after it executes the Class Year Interconnection Facilities Study Agreement, shall not constitute a Material Modification.

30.4.4.7 Technological Change Procedure. Following delivery of the initial draft of the System Reliability Impact Study report to the Developer and Connecting Transmission Owner(s) but prior to the return of an executed Interconnection Facilities Study Agreement to the ISO, a technological change that satisfies the definition of a Permissible Technology Advancement or that the ISO determines is not a Material Modification under this Technological Change

Procedure is a permissible modification that will not result in a Developer losing its Queue Position if it elects to proceed with the requested modification.

30.4.4.7.1 A Developer seeking to modify its proposed Large Facility based upon a change to the turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Developer's Interconnection Request shall submit a Large Facility Modification Request in the form of Appendix 3 to these Large Facility Interconnection Procedures, which shall be accompanied by a study deposit in the amount of $10,000 and any support relied on by the Developer to show that the change is a Permissible Technological Advancement or not a Material Modification. Upon receipt of a Large Facility Modification Request that identifies a request for a technological change, the ISO, in consultation with the Connecting Transmission Owner(s) to the extent practicable, shall first conduct a review of the technological change and supporting information to determine whether such change constitutes a Permissible Technological Advancement. If the Large Facility Modification Request demonstrates that the proposed technological change satisfies the definition of Permissible Technological Advancement and does not result in a change to the electrical characteristics that is (i) greater than two (2) percent voltage drop at the Point of Interconnection or (ii) greater than 100 amperes short circuit contribution, then no additional study is required and the technological change shall constitute a Permissible Technological Advancement.

30.4.4.7.2 If the ISO identifies that additional studies are required to determine whether the technological change constitutes a Permissible Technological

Advancement, the ISO shall commence and perform any necessary studies to determine whether the electrical performance is equal or better than the electrical performance prior to the technological change and it does not result in adverse reliability concerns. Such additional studies shall be identified and performed based on the ISO's engineering judgment and at the Developer's expense. If the Developer fails to provide information or data that is required by the ISO to conduct the additional studies, the ISO shall reject the requested technological change; however, the Developer may resubmit a Large Facility Modification Request for the same technological change with the required information.

30.4.4.7.3 If the ISO concludes that the requested technological change does not constitute a Permissible Technological Advancement after completing the additional studies, the ISO shall review whether the technological change would constitute a Material Modification consistent with Section 30.4.4.3 of this Attachment X.

30.4.4.7.4 The ISO will complete its review and any additional studies required under this Technological Change Procedure within thirty (30) Calendar Days of receiving a Large Facility Modification Request and the required study deposit. Following completion of the ISO's review and any additional studies, the ISO shall describe the studies that were conducted, if any, and invoice the Developer for any costs incurred and either refund any remaining amount of the study deposit in excess of the costs without interest for amounts owed. The Developer shall pay the invoice within thirty (30) Calendar Days from receipt of the invoice or commence a dispute under Section 30.13.5 of this Attachment X.

30.5 Transition Procedures Regarding Standard Large Facility Interconnection Procedures

30.5.1 Transition Procedures for Interconnection Requests Submitted Prior to Initial Effective Date of Standard Large Facility Interconnection Procedures

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

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

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

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

30.5.1.2 Transition Period

To the extent necessary, the ISO and Developers with an outstanding request (i.e., an Interconnection Request for which an interconnection agreement has not been submitted to the Commission for approval as of the effective date of these Large Facility Interconnection Procedures) shall transition to these procedures within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term "outstanding request" herein shall mean any Interconnection Request, on the effective date of these Large Facility Interconnection Procedures: (i) that has been submitted but not yet accepted by the ISO; (ii) where the related interconnection agreement has not yet been submitted to the Commission for approval in executed or unexecuted form, (iii) where the relevant Interconnection Study Agreements have not yet been executed, or (iv) where any of the relevant Interconnection Studies are in process but not yet completed. Any Developer with an outstanding request as of the effective date of these Large Facility Interconnection Procedures may request a reasonable extension of any deadline, otherwise applicable, if necessary to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by the ISO to the extent consistent with the intent and process provided for under these Large Facility Interconnection Procedures. This paragraph shall not apply to a Large Facility's obligation to obtain CRIS in order to quality as an Installed Capacity Supplier or obtain Unforced Capacity Delivery Rights under the ISO Services Tariff.

30.5.2 New Transmission Provider

If the ISO transfers its control of the New York State Transmission System to a successor transmission provider during the period when an Interconnection Request is pending, the ISO shall transfer to the successor transmission provider any amount of the deposit or payment with

interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by these Large Facility Interconnection Procedures shall be paid by or refunded to the Developer, as appropriate. The ISO shall coordinate with the successor transmission provider to complete any Interconnection Request (including Interconnection Studies), as appropriate, that the ISO has begun but has not completed. If the ISO has tendered a draft Standard Large Generator Interconnection Agreement to the Developer but the Developer has not either executed that interconnection agreement or requested the filing of an unexecuted Standard Large Generator Interconnection Agreement with FERC, unless otherwise provided, the Developer must complete negotiations with the successor transmission provider.

30.5.3 Interim Transition Procedures for Optional Interconnection Feasibility Studies, Interconnection System Reliability Impact Studies, and Optional Interconnection System Reliability Impact Studies Pending Adoption of the ISO's Revised Interconnection Procedures in Compliance with Order No. 2023

30.5.3.1 Interim Transition Procedures for Large Facilities Eligible for Optional Interconnection Feasibility Studies

30.5.3.1.1 If, prior to December 1, 2023: (A) the ISO has commenced a detailed or a limited Optional Interconnection Feasibility Study for Developer's Large Facility or (B) the ISO has provided Developer and Connecting Transmission Owner with the final scope of a detailed or a limited Optional Interconnection Feasibility Study for Developer's Large Facility and Connecting Transmission Owner has indicated its agreement with the scope by signing and returning it to the ISO pursuant to Section 30.6.2, then the Developer of the Large Facility shall elect: (i) for the ISO to commence or complete the Optional Interconnection Feasibility Study at the detailed or limited analysis level, as applicable, for the Large Facility, (ii) not to commence or to terminate the Optional Interconnection Feasibility Study for the Large Facility and for the

Large Facility to remain in the ISO's interconnection queue pending the adoption of the ISO's revised interconnection procedures in compliance with Order No. 2023, or (iii) not to commence or to terminate the Optional Interconnection Feasibility Study for the Large Facility and to withdraw the Interconnection Request for the Large Facility.

30.5.3.1.2 The Developer of the Large Facility shall inform the ISO of its election on or before December 8, 2023. If the ISO does not receive an election by this date, Developer shall be designated as electing option (ii) of Section 30.5.3.1.1.

30.5.3.2 Interim Transition Procedures for Large Facilities Eligible for Interconnection System Reliability Impact Studies or Optional Interconnection System Reliability Impact Studies

30.5.3.2.1 If, prior to December 1, 2023: (A) the ISO has commenced an SRIS or an Optional Interconnection System Reliability Impact Study ("Optional SRIS") for Developer's Large Facility or (B) the ISO Operating Committee has approved the study scope for an SRIS for a Large Facility pursuant to Section 30.7.3.1 or an Optional SRIS pursuant to Section 30.10.1, then the Developer of the Large Facility shall elect: (i) for the ISO to commence or complete the SRIS or Optional SRIS, as applicable, for the Large Facility, (ii) not to commence or to terminate the SRIS or Optional SRIS, as applicable, for the Large Facility and for the Large Facility to remain in the ISO's interconnection queue pending the adoption of the ISO's revised interconnection procedures in compliance with Order No. 2023, or (iii) not to commence or to terminate the SRIS or Optional SRIS, as applicable, for the Large Facility and to withdraw the Interconnection Request for the Large Facility.

30.5.3.2.2 The Developer of the Large Facility shall inform the ISO of its election on or before December 8, 2023. If the ISO does not receive an election by this date, Developer shall be designated as electing option (ii) of Section 30.5.3.2.1.

30.5.3.3 Interim Transition Procedures for Large Facilities that Have Elected to

Proceed with Optional Interconnection Feasibility Study or SRIS But Have Not Satisfied Scope Requirements Prior to December 1, 2023

30.5.3.3.1 If, by December 1, 2023: (A) the Scoping Meeting or an Optional Interconnection Feasibility Study has been completed for Developer's Large Facility, and Developer has made a timely election for its Large Facility to proceed to, as applicable, an Optional Interconnection Feasibility Study or SRIS pursuant to Section 30.6.1 or 30.7.1, but (B) has not met the requirements of Section 30.5.3.1 or 30.5.3.2 above, then the Developer shall elect: (i) for the ISO to perform an Optional Interconnection Feasibility Study for the Large Facility at a limited analysis level pursuant to Section 30.6.2 if such study has not yet been performed, (ii) for the ISO not to perform an Optional Interconnection Feasibility Study for the Large Facility and for its Large Facility to remain in the ISO's interconnection queue pending the adoption of the revised interconnection procedures in compliance with Order No. 2023, or (iii) for the ISO not to perform an Optional Interconnection Feasibility Study for the Large Facility and to withdraw the Interconnection Request for the Large Facility.

30.5.3.3.2 The Developer of the Large Facility shall inform the ISO of its election on or before December 8, 2023. If the ISO does not receive an election by this date, Developer shall be designated as electing option (ii) of Section 30.5.3.3.1.

30.5.3.4 Interim Transition Procedures for Large Facilities that Are Not Subject to the Above Transition Requirements

30.5.3.4.1 A Developer with a validated Interconnection Request for its Large Facility that is not subject to the requirements in Sections 30.5.3.1, 30.5.3.2, or 30.5.3.3 shall elect within five Business Days of the completion of the Scoping Meeting or the completion of an Optional Interconnection Feasibility Study for the Large Facility: (i) for the ISO to perform an Optional Interconnection Feasibility Study for the Large Facility at a limited analysis level pursuant to Section 30.6.2 if such study has not yet been performed, (ii) for its Large Facility to

remain in the ISO's interconnection queue pending the adoption of the revised interconnection procedures in compliance with Order No. 2023, or (iii) to withdraw the Interconnection Request for the Large Facility. If the ISO does not receive an election by the Developer prior to the completion of the five Business Day period, Developer shall be designated as electing option (ii) of this Section 30.5.3.4.1.

30.5.3.5 Payment and Refund Requirements for Terminated Studies

30.5.3.5.1 If Developer has provided the ISO with a study deposit for the Optional Interconnection Feasibility Study, SRIS, or Optional SRIS for its Large Facility and elects to terminate the study pursuant to Sections 30.5.3.1, 30.5.3.2, or 30.5.3.3, the ISO shall invoice Developer if the actual costs incurred for any study work performed prior to the termination of the study exceed the deposit amount. Developer shall pay the ISO any excess amount within 30 Calendar Days of receipt of an ISO invoice. The ISO shall refund to the Developer any portion of its deposit or study payments that exceed the costs incurred for any study work and any interest actually earned on the deposited amount.

30.5.3.6 Notwithstanding a Developer's election pursuant to this Section 30.5.3 that the ISO complete an Optional Interconnection Feasibility Study, SRIS, or Optional SRIS for a Large Facility and/or that the Large Facility remain in the ISO's interconnection queue, the Large Facility will be subject to the new requirements of the revised interconnection procedures, including any additional transition rules, accepted by the Commission in compliance with Order No. 2023 and will have to satisfy such requirements to proceed under the revised interconnection procedures.

30.6 Optional Interconnection Feasibility Study

The requirements for the Optional Interconnection Feasibility Study set forth in this Section 30.6 shall be subject to the interim transition procedures in Section 30.5.3 of this Attachment X and shall be superseded by the requirements in Section 30.5.3 in the event of conflicting requirements.

30.6.1 Commencing an Optional Interconnection Feasibility Study

If, within five (5) Business Days after the Scoping Meeting, Developer advises the ISO that it elects to proceed with an Optional Interconnection Feasibility Study, the ISO shall provide to Developer and Connecting Transmission Owner a good faith estimate of the cost and timeframe for completing the Optional Interconnection Feasibility Study. The Developer is responsible for the actual cost of the Optional Interconnection Feasibility Study. Developer shall specify the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. The Developer must provide a $10,000 or $60,000 study deposit, depending on the scope of analyses requested pursuant to Section 30.6.2 of this Attachment X The Developer shall deliver to the ISO the required deposit of $10,000 or $60,000, depending upon the scope of the study work elected pursuant to Section 30.6.2 of this Attachment X and the technical data requested by the ISO no later than fifteen (15) Business Days after Developer's receipt of the ISO's good faith estimate of the study costs. If the Developer does not provide the required study deposit within fifteen (15) Business Days after the ISO's notice to Developer and the Connecting Transmission Owner of the good faith estimate of the cost and timeframe for completing the SRIS, the Interconnection Request will be subject to withdrawal. If the Developer does not provide all required technical data, the ISO shall notify the Developer of the deficiency and the Developer shall cure the deficiency within ten (10) Business Days of receipt

of the notice, provided, however, such ability to cure technical deficiencies does not apply to failure to submit the required deposit. The ISO shall notify the Developer and the Connecting Transmission Owner that the Optional Interconnection Feasibility Study has commenced following receipt of the required deposit and once the ISO deems the required technical data sufficient.

If the Optional Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Developer or Connecting Transmission Owner and the ISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, may be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and re-studies shall be completed pursuant to Section 30.6.4 as applicable. For the purpose of this Section 30.6.1, if the ISO, Connecting Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that an alternative, as specified pursuant to Section 30.3.3.4, shall be the substitute.

If the Developer opts to forego the Optional Interconnection Feasibility Study, the ISO will initiate an Interconnection System Reliability Impact Study under Section 30.7 of these Large Facility Interconnection Procedures.

30.6.2 Scope of Optional Interconnection Feasibility Study

The Optional Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the New York State Transmission System in accordance with the scope that the Developer elects pursuant to this Section 30.6.2. The scope of the Optional Interconnection Feasibility Study will be provided to the Developer and Connecting Transmission Owner for review and comment. After the Optional Feasibility Study scope is

finalized, the ISO will provide the final scope to the Developer and Connecting Transmission Owner. The Connecting Transmission Owner shall indicate its agreement to the Optional Feasibility Study scope by signing it and promptly returning it to the ISO, such agreement not to be unreasonably withheld.

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

The Optional Interconnection Feasibility Study will consider the Base Case and, if not already included in the Base Case, all generators and Class Year Transmission Projects (and with respect to (iii), any identified System Upgrade Facilities and, if security or cash has been posted in accordance with Attachment S, System Deliverability Upgrades, except for Highway facility upgrades that have not yet been triggered under Section 25.7.12.3.1 of Attachment S) that, on the date the Optional Interconnection Feasibility Study commences: (i) are directly interconnected to the New York State Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have accepted their cost allocation for System Upgrade Facilities and posted security for such System Upgrade Facilities in accordance with Attachment S; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC.

The Optional Interconnection Feasibility Study may consist of the any of the following levels of analysis, at Developer’s election:

For a $10,000 Optional Interconnection Feasibility Study Deposit, Developer may request the following limited analyses:

(1) Development of conceptual breaker-level one-line diagram of existing NYS Transmission System or Distribution System where the Large Facility proposes to interconnect (i.e., how to integrate the Large Facility into the existing system); and/or

(2) Review of feasibility/constructability of a conceptual breaker-level one-line diagram of the proposed interconnection (e.g., space for additional breaker bay in existing substation or identification of cable routing concerns inside existing substation).

For a $60,000 Optional Interconnection Feasibility Study Deposit, Developer may request the following detailed analyses:

(1) Development of conceptual breaker-level one-line diagram of existing NYS Transmission System or Distribution System where the Large Facility proposes to interconnect (i.e., how to integrate the Large Facility into the existing system);

(2) Review of feasibility/constructability of a conceptual breaker-level one-line diagram of the proposed interconnection (e.g., space for additional breaker bay in existing substation or identification of cable routing concerns inside existing substation);

(3) Preliminary review of local protection, communication, and grounding issues associated with the proposed interconnection;

(4) Power flow, short circuit, and/or bus flow analyses; and/or

(5) Identification of Connecting Transmission Owner Attachment Facilities and Local System Upgrade Facilities with a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

30.6.3 Optional Interconnection Feasibility Study Procedures

ISO may request additional information from Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Optional Interconnection Feasibility Study. Upon request from the ISO for additional information required for or related to the Optional Interconnection Feasibility Study, Developer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

The ISO shall utilize existing studies to the extent practicable when it performs the study. If Developer elects the more limited study scope described in Section 30.6.2, the ISO shall use Reasonable Efforts to complete the Optional Interconnection Feasibility Study no later than forty-five (45) Calendar Days after the ISO confirms receipt of the required study deposit and required technical data. If Developer elects the more detailed study scope described in Section 30.6.2, the ISO shall use Reasonable Efforts to complete the Optional Interconnection Feasibility Study no later than ninety (90) Calendar Days after the ISO confirms receipt of the required study deposit and required technical data. At the request of the Developer or at any time the ISO determines that it will not meet the required time frame for completing the Optional Interconnection Feasibility Study, ISO shall notify the Developer as to the schedule status of the Optional Interconnection Feasibility Study. If the ISO is unable to complete the Optional Interconnection Feasibility Study within that time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the ISO shall provide the Developer supporting documentation, workpapers and relevant power flow, and short circuit databases for the Optional Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section 30.13.1.

The ISO and Connecting Transmission Owner shall study the Interconnection Request at the level of ERIS requested by the Developer, unless otherwise required to study the full output due to safety or reliability concerns based on the ISO's and Connecting Transmission Owner's determination using Good Utility Practice and related engineering considerations and after accounting for any control technology proposed by the Developer.

30.6.3.1 Study Report Meeting

Connecting Transmission Owner and any Affecting Transmission Owners, together with Developer, will be provided with drafts of the Optional Interconnection Feasibility Study report for review. Review and comments shall be provided to the ISO within fifteen (15) Business Days of receipt. Within ten (10) Business Days of providing a final draft of the Optional Interconnection Feasibility Study report to Developer, the ISO and Connecting Transmission Owner shall meet with Developer to discuss the results of the Optional Interconnection Feasibility Study.

30.6.4 Re-Study

If the ISO determines that re-study of the Optional Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 30.4.4, or re-designation of the Point of Interconnection pursuant to Section 30.6.1 the ISO shall notify Developer in writing. Such re-study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of re-study shall be borne by the Developer being re-studied.

30.7 Interconnection System Reliability Impact Study

The requirements for the System Reliability Impact Study set forth in this Section 30.7 shall be subject to the interim transition procedures in Section 30.5.3 of this Attachment X and shall be superseded by the requirements in Section 30.5.3 in the event of conflicting requirements.

30.7.1 Commencing an Interconnection System Reliability Impact Study

Developer shall advise the ISO that it elects to proceed with an Interconnection System Reliability Impact Study within five (5) Business Days after either the delivery of the final Optional Interconnection Feasibility Study report to the Developer, or, the Scoping Meeting, if the Developer opts to forego the Optional Interconnection Feasibility Study. As soon as practicable after receipt of such election from the Developer, the ISO shall provide to the Developer and Connecting Transmission Owner a good faith estimate of the cost and timeframe for completing the Interconnection System Reliability Impact Study ("SRIS"). The Developer shall compensate the ISO and Connecting Transmission Owner for the actual cost of the SRIS.

30.7.2 Study Deposit and Site Control Requirements for an Interconnection System Reliability Impact Study

The Developer shall submit to the ISO no later than fifteen (15) Business Days after the ISO's notice to Developer and the Connecting Transmission Owner of the good faith estimate of the cost and timeframe for completing the SRIS the following: (1) demonstration of Site Control (if Site Control was not provided with the Interconnection Request); (2) the required SRIS deposit pursuant to Section 30.7.2.1 of this Attachment X; and (3) the technical data requested by the ISO. The ISO shall notify the Developer and the Connecting Transmission Owner that the Interconnection System Reliability Impact Study has commenced following receipt of the

required SRIS deposit and once the ISO deems the required technical data and site control sufficient.

30.7.2.1 Applicable Study Deposit

If the ISO is responsible for performing the entire study, the required deposit is $120,000 If the Developer is hiring a third-party consultant to perform the analytical portion of the study, the required deposit is $40,000 If the Developer does not provide the required study deposit within fifteen (15) Business Days after the ISO's notice to the Developer and the Connecting Transmission Owner of the good faith estimate of the cost and timeframe for completing the SRIS, the Interconnection Request will be subject to withdrawal.

30.7.2.2 Required Technical Data for the SRIS

If the Developer does not provide all required technical data, the ISO shall notify the Developer of the deficiency and the Developer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such ability to cure technical deficiencies does not apply to failure to demonstrate site control or submit the required deposit in lieu of demonstrating site control.

30.7.2.3 Substitute Point of Interconnection

If the SRIS uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Optional Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Developer or Connecting Transmission Owner and the ISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 30.7.6 as applicable. For the purpose of this

Section 30.7.2.3, if the ISO, Connecting Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Optional Interconnection Feasibility Study Agreement, as specified pursuant to Section 30.3.3.4, shall be the substitute.

30.7.3 Scope of Interconnection System Reliability Impact Study

The SRIS shall consist of an evaluation under the Minimum Interconnection Standard and, as applicable pursuant to Section 30.7.3.2 of this Attachment X, a deliverability evaluation under the Deliverability Interconnection Standard.

The SRIS will consider the Base Case, and if not already included in the Base Case, all generators and Class Year Transmission Projects (and with respect to (iii) below, any identified System Upgrade Facilities associated with such higher queued interconnection and, if security or cash has been posted in accordance with Attachment S, System Deliverability Upgrades, except for Highway facility upgrades that have not yet been triggered under Section 25.7.12.3.1 of Attachment S) that, on the date the SRIS scope is approved by the Operating Committee: (i) are directly interconnected to the New York State Transmission System or to the Distribution System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have accepted their cost allocation for System Upgrade Facilities and posted security for such System Upgrade Facilities in accordance with Attachment S; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC.

The ISO may request additional information from Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice

during the course of the SRIS. Upon request from the ISO for additional information required for or related to the SRIS, the Developer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

30.7.3.1 Evaluation under the Minimum Interconnection Standard

The SRIS will consist of short circuit analyses, local steady state analyses, and local stability analyses; however, additional analysis may be required if that analysis could reasonably be expected to identify reliability violations requiring SUFs. For a Developer proposing an incremental increase in output to an existing Large Facility, the SRIS scope may be narrowed upon mutual agreement among the ISO, Connecting Transmission Owner and the Developer. The SRIS will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing ERIS, 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. For purposes of determining necessary Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities, the SRIS shall consider the level of ERIS requested by the Developer, unless otherwise required to the study the full output due to safety or reliability concerns based on the ISO's and Connecting Transmission Owner's determination using Good Utility Practice and related engineering considerations and after accounting for any control technology proposed by the Developer. The ISO, in consultation with the Connecting Transmission Owner, shall also specify which studies will be performed at which facility capacity level. The SRIS will provide a list of facilities that are required as a result of the Interconnection Request, including additional System Upgrade Facilities related to the Large Facility operating at less than full output, and a nonbinding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

The scope of the SRIS will be provided to the Developer and Connecting Transmission Owner for review and comment. After the SRIS scope is finalized, the ISO will provide the final scope to the Connecting Transmission Owner. The Connecting Transmission Owner shall indicate its agreement to the scope of the SRIS by signing it and promptly returning it to the ISO, such agreement not to be unreasonably withheld.

The ISO Operating Committee shall approve the specific study scope proposed for each SRIS.

The SRIS shall evaluate the impact of the proposed interconnection on the reliability of the New York State Transmission System. If an Optional Interconnection Feasibility Study is not performed for the project, the SRIS will also evaluate the feasibility of the proposed interconnection.

The SRIS shall be conducted in accordance with Applicable Reliability Standards and shall indicate the Developer's requested ERIS and CRIS and whether the SRIS will include a deliverability evaluation pursuant to Section 30.7.3.2 of this Attachment X.

30.7.3.2 Evaluation under the Deliverability Interconnection Standard

If the Large Facility requests CRIS, the ISO will determine whether the requested CRIS is likely to require System Deliverability Upgrades by performing a preliminary, non-binding evaluation of the deliverability of the Large Facility's requested CRIS under the NYISO Deliverability Interconnection Standard. If the ISO determines that a preliminary deliverability evaluation is required in the SRIS, such requirement will be documented in the SRIS Scope.

A Large Facility for which the ISO does not require a deliverability evaluation in the SRIS may, at Developer's option, elect to include in the SRIS scope a preliminary evaluation of the Large Facility under the Deliverability Interconnection Standard.

The preliminary deliverability evaluation will state the assumptions upon which it is based; state the results of the preliminary analyses; and, as applicable, identify and provide preliminary, non-binding cost estimates for potential System Deliverability Upgrades at a high level. The preliminary deliverability evaluation will be performed in accordance with the Class Year Study deliverability procedures set forth in Sections 25.7.3, 25.7.5, 25.7.8 and 25.7.9 of Attachment S to the OATT; provided, however, that the Large Facility will be evaluated individually and not on an aggregate basis with other projects. If the SRIS deliverability evaluation determines that a Large Facility is not deliverable for its full amount of requested CRIS, the ISO will (1) identify, at a high level, potential System Deliverability Upgrades to make the facility fully deliverable for the full amount of requested CRIS; and (2) provide preliminary non-binding cost estimates for such potential System Deliverability Upgrades. The identification and cost estimates of potential System Deliverability Upgrades in this preliminary deliverability evaluation may be based on generic information.

If the Large Facility for which the SRIS includes a deliverability evaluation pursuant to this Section 30.7.3.2 and such evaluation identifies potential System Deliverability Upgrades, the evaluation of such upgrades will be refined in the Class Year Study prior to the Class Year Deliverability Study and subsequently revised, as necessary, in light of Class Year Deliverability Study results that may alleviate the need for or require alternative System Deliverability Upgrades. To the extent the ISO identifies alternative potential System Deliverability Upgrades, the Developer may elect which System Deliverability Upgrades to be evaluated in the Class Year Study.

To the extent a Large Facility for which the SRIS includes a deliverability evaluation pursuant to this Section 30.7.3.2 subsequently elects to proceed to a Class Year Interconnection

Facilities Study, the portion of the Class Year Interconnection Facilities Study costs attributable to the Class Year Deliverability Study would not be offset by any expenses paid by the Developer for a preliminary deliverability evaluation in its SRIS.

30.7.4 Interconnection System Reliability Impact Study Procedures

The ISO shall coordinate the SRIS with any Affected System that is affected by the Interconnection Request pursuant to Section 30.3.5 above. The ISO shall utilize existing studies to the extent practicable when it performs the study. The ISO shall use Reasonable Efforts to complete the SRIS within ninety (90) Calendar Days after the ISO confirms receipt of the required study deposit, required technical data, and Site Control (if Site Control was not provided with the Interconnection Request); provided, however, if the SRIS requires a deliverability evaluation pursuant to Section 30.7.3.2 of this Attachment X, the ISO shall use Reasonable Efforts to complete the SRIS within 120 Calendar Days after the ISO confirms receipt of the required study deposit, required technical data, and Site Control (if Site Control was not provided with the Interconnection Request). If ISO uses Clustering, the ISO shall use Reasonable Efforts to deliver a completed SRIS within ninety (90) Calendar Days after the close of the Queue Cluster Window. The ISO Operating Committee shall approve each final SRIS.

At the request of the Developer or at any time the ISO determines that it will not meet the required timeframe for completing the SRIS, the ISO shall notify the Developer as to the schedule status of the SRIS. If the ISO is unable to complete the SRIS within the time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the ISO shall provide the Developer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-

Interconnection Request power flow, short circuit and stability databases for the SRIS, subject to confidentiality arrangements consistent with Section 30.13.1.

30.7.5 Study Report Meeting

Connecting Transmission Owner and any Affecting Transmission Owners, together with Developer, will be provided with drafts of the SRIS report for review. Review and comments shall be provided to the ISO within fifteen (15) Business Days of receipt. Within ten (10) Business Days of providing a final draft SRIS report to Developer, the ISO and Connecting Transmission Owner shall meet with Developer to discuss the results of the SRIS.

Upon the ISO's issuance of a final draft SRIS report, the Developer must proceed with its study report to the Transmission Planning Advisory Subcommittee ("TPAS") of the ISO Operating Committee within three (3) months and to the next ISO Operating Committee meeting following the TPAS review; provided, however, if the TPAS recommends revisions or supplements to the study report, the revised report must proceed to the next TPAS meeting following completion of such revisions, and to the next ISO Operating Committee following the TPAS review of the revised study report. Failure to proceed with its study report to the TPAS and ISO Operating Committee within these timeframes will result in withdrawal of the Interconnection Request.

The ISO Operating Committee shall approve each final SRIS report after review of the final SRIS report by the TPAS.

30.7.6 Re-Study

If the ISO determines that re-study of the SRIS is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to Section 30.4.4, or re-designation of the Point of Interconnection pursuant to Section 30.7.2, the ISO shall notify

Developer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of re-study shall be borne by the Developer being re-studied.

30.8 Class Year Interconnection Facilities Study

30.8.1 Class Year Interconnection Facilities Study Agreement

As soon as practicable after a Class Year Start Date is established pursuant to Section 25.5.9 of Attachment S to the OATT, the ISO shall provide a Class Year Interconnection Facilities Study Agreement for the Class Year Study in the form of Appendix 2 to these Large Facility Interconnection Procedures to each Developer and Interconnection Customer that elected to enter the Class Year within the time period set forth in Section 25.5.9 of Attachment S and has not previously received an agreement for the Class Year Study, contingent upon confirmation by the ISO that the Developer is an Eligible Class Year Project. The ISO shall tender a Class Year Interconnection Facilities Study Agreement at an earlier point to any Developer or Interconnection Customer that so requests entry into the Class Year and that the ISO confirmed to be an Eligible Class Year Project. When the ISO provides a Class Year Interconnection Facilities Study Agreement to an Eligible Class Year Project, the ISO shall, at the same time, also provide one to that Eligible Class Year Project's Connecting Transmission Owner. When a Developer or Interconnection Customer requests entry into the Class Year Study, it shall provide with its request for entry either (i) a demonstration that the project satisfies the applicable regulatory milestones described in Section 25.6.2.3.1.1 of Attachment S or (ii) notice that it will submit a qualifying contract pursuant to Section 25.6.2.3.1 of Attachment S to the OATT or a two-part deposit consisting of $100,000 plus $3,000/MW deposit as required by Section 25.6.2.3.1. The Class Year Interconnection Facilities Study Agreement shall provide that the Class Year Project shall compensate the ISO and Connecting Transmission Owner for the actual cost of the Class Year Interconnection Facilities Study. When the ISO provides the Class Year Interconnection Facilities Study Agreement to the Eligible Class Year Project, the ISO shall

provide to the Eligible Class Year Project a non-binding good faith estimate of the cost and timeframe for completing the Class Year Interconnection Facilities Study. The Eligible Class Year Project shall complete the Class Year Interconnection Facilities Study Agreement and deliver the completed Class Year Interconnection Facilities Study Agreement to the ISO within ten (10) Calendar Days after the Developer's receipt of the Class Year Interconnection Facilities Study Agreement. Starting with the Class Year subsequent to Class Year 2019, with the completed Class Year Interconnection Facilities Study Agreement, to be submitted no later than the deadline for the Class Year Interconnection Facilities Study Agreement, the Class Year Project shall deliver to the ISO (1) the required technical data (including data required by the Connecting Transmission Owner, to the extent such data is requested by the ISO when it provides notice of a Class Year Start Date or tenders the Class Year Interconnection Facilities Study Agreement); (2) the Class Year Project's interconnection service evaluation election; (3) for Large Facilities not yet In-Service, an updated proposed In-Service Date, an updated proposed Initial Synchronization Date and an updated proposed Commercial Operation Date (subject to the ten (10) year limitation set forth in Section 30.3.1); (4) a study deposit of $100,000 (if the Class Year Project seeks evaluation for ERIS or ERIS and CRIS), or $50,000 (if the Class Year Project seeks only CRIS); and (5) if the Developer has not satisfied the applicable regulatory milestone described in Section 25.6.2.3.1.1 of Attachment S to the ISO OATT, either a demonstration of a qualifying contract pursuant to Section 25.6.2.3.1(ii)(1) of Attachment S to the OATT or a two-part deposit consisting of $100,000 plus $3,000/MW deposit as required by Section 25.6.2.3.1(ii)(2). At the same time the Class Year Project provides the above items to the ISO, the Class Year Project shall deliver the completed Class Year Interconnection Facilities Study Agreement, together with the required technical data (as applicable), to the Connecting

Transmission Owner. If the technical data provided is deficient, the ISO shall notify the Developer of the reasons for such deficiency. Developer shall provide the ISO the additional requested information needed to cure the deficiencies within ten (10) Business Days after receipt of such notice. Failure to cure the deficiencies shall result in withdrawal from the interconnection queue pursuant to Section 30.3.6 of this Attachment X. The Developer, ISO and Connecting Transmission Owner shall execute the Class Year Interconnection Facilities Study Agreement no later than ten (10) Calendar Days after the ISO confirms receipt of the completed Class Year Interconnection Facilities Study Agreement, the required technical data and required deposits from the Developer. The ISO shall provide a copy of the fully executed Class Year Interconnection Facilities Study Agreement to the Developer and Connecting Transmission Owner.

A Developer that retracts its election to enter a Class Year Study after the ISO's tender of the Class Year Study Agreement prior to or after the deadline for execution of the Class Year Study Agreement will not become a member of the Class Year Study; however, such retraction will count as one of the two Class Year Studies that a project may enter pursuant to Section 25.6.2.3.4 of Attachment S to the OATT.

30.8.1.1 The ISO shall invoice the Class Year Project on a monthly basis for the work conducted on the Class Year Interconnection Facilities Study each month. Any Class Year Project having elected only ERIS shall not be invoiced for any part of the cost of the Class Year Deliverability Study. Any Class Year Project that elects to reduce the MW of CRIS it requests to be evaluated in the Class Year Deliverability Study and thereby opts out of any additional detailed studies, if required, for System Deliverability Upgrades, shall not be invoiced for any

additional detailed studies required for System Deliverability Upgrades. The Class Year Project shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. The ISO shall continue to hold the amounts on deposit until settlement of the final invoice.

30.8.1.2 A Class Year project may withdraw from the Class Year Study pursuant to Section 25.5.9 of Attachment S prior to completion of the Annual Transmission Baseline Assessment study cases. Upon such withdrawal, the deposits paid in lieu of satisfaction of the regulatory milestone pursuant to Section 25.6.2.3.1 of Attachment S will be fully refunded.

30.8.2 Scope of Class Year Interconnection Facilities Study

The Class Year Interconnection Facilities Study shall be performed concurrently as a combined Class Year Interconnection Facilities Study for a Class Year, as determined in accordance with Attachment S of the ISO OATT, to fulfill the requirements of this Section 30.8, and the requirements of the Annual Transmission Reliability Assessment and Class Year Deliverability Study called for by Attachment S.

The combined Class Year Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering and design work, permitting, site acquisition, procurement and construction work and commissioning needed for the Class Year in accordance with Good Utility Practice and, for each of these cost categories, shall specify and estimate the cost of the work to be done at each substation and/or on each feeder to physically and electrically connect each facility in the Class Year to the Transmission System. The Class Year Interconnection Facilities Study will also identify any potential control equipment for requests for ERIS that are lower than the full output of the facility. The combined Class Year Interconnection Facilities

Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Connecting Transmission Owners' Attachment Facilities, any Distribution Upgrades, any System Upgrade Facilities and, for Class Year Projects seeking CRIS, any System Deliverability Upgrades necessary to accomplish the interconnection of each Class Year Project; and shall include a schedule showing the estimated time required to complete the engineering and design, permitting, site acquisition, procurement, construction, installation and commissioning phases of the Class Year Projects. If the System Reliability Interconnection System for the Large Facility includes a deliverability evaluation pursuant to Section 30.7.3.2 of this Attachment X, and such evaluation identifies potential System Deliverability Upgrades, the evaluation of such upgrades will be refined in the Class Year Study, which may include revisions to or alleviation of the need for the identified potential System Deliverability Upgrades or alternative System Deliverability Upgrades based on the Class Year Deliverability Study results. To the extent the ISO identifies alternative potential System Deliverability Upgrades in the System Reliability Impact Study, the Developer may elect which System Deliverability Upgrades to be evaluated in the Class Year Study.

The Class Year Study schedule shall contain major milestones to facilitate the tracking of the progress of each Class Year Project.

30.8.2.1 With the completed Class Year Interconnection Facilities Study Agreement, Developer shall submit to the ISO an updated proposed In-Service Date, an updated proposed Initial Synchronization Date and an updated proposed Commercial Operation Date every ninety (90) Calendar Days.

30.8.2.2 Following commencement of the activities described in Section 30.8.2 of this Attachment X, for each Class Year Project not yet In-Service, the Class Year Project, that Class Year Project's Connecting Transmission Owner and each Affected Transmission Owner(s) shall report every other month on the progress of their respective activities to the ISO and to each other. Such reports shall be in a format consistent with, and include the content required by, applicable ISO Procedures. In these bimonthly reports, each Class Year Project and Connecting Transmission Owner and Affected Transmission Owner(s) shall report any material variance from earlier schedule estimates for their respective activities, and the reasons for such variance. In addition, the Connecting Transmission Owner and Affected Transmission Owner(s) shall report any material variance from earlier cost estimates for its activities, and the reasons for such variance.

30.8.3 Class Year Interconnection Facilities Study Procedures

The ISO shall coordinate the Class Year Interconnection Facilities Study with the Connecting Transmission Owner and Affected Transmission Owners, and with any other Affected System pursuant to Section 30.3.5 above. The ISO shall utilize existing studies to the extent practicable in performing the Class Year Interconnection Facilities Study, including any deliverability analyses from the System Reliability Impact Study, as applicable.

The ISO may request additional information from the Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Class Year Interconnection Facilities Study. Upon request from the ISO for additional information required for or related to the Class Year Interconnection Facilities

Study, the Developer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

The ISO shall follow the procedures set forth in Attachment S of the ISO OATT and shall use Reasonable Efforts to complete the study and issue a Class Year Interconnection Facilities Study report to the Class Year Projects within the timeframe called for in Attachment S.

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

Upon request, the ISO shall provide each Class Year Project supporting documentation, workpapers, and databases or data developed in the preparation of the Class Year Interconnection Facilities Study, subject to non-disclosure arrangements consistent with Section 30.13.1.

30.8.4 Study Report Meeting

Within ten (10) Business Days of providing a draft Class Year Interconnection Facilities Study report to Class Year Projects, the ISO and Connecting Transmission Owner and Affected Transmission Owners shall meet with the Developers (and Interconnection Customers, as applicable) for Class Year Projects to discuss the results of the Class Year Interconnection Facilities Study.

30.8.5 Re-Study

If re-study of the Class Year Interconnection Facilities Study and cost allocation report is required pursuant to Section 25.8.2 and Section 25.8.3 of Attachment S, the ISO shall so notify Class Year Projects and conduct such re-study in accordance with the requirements of Attachment S. Any cost of re-study shall be borne by the Class Year Projects being re-studied.

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.

30.10 Optional Interconnection System Reliability Impact Study

The requirements for the Optional Interconnection System Reliability Impact Study set forth in this Section 30.10 shall be subject to the interim transition procedures in Section 30.5.3 of this Attachment X and shall be superseded by the requirements in Section 30.5.3 in the event of conflicting requirements.

30.10.1 Commencing an Optional Interconnection System Reliability Impact

Upon the initiation of a Developer's SRIS, the Developer may request, and the ISO shall perform concurrently with that SRIS a reasonable number of Optional Interconnection System Reliability Impact Studies. The request shall describe the assumptions that the Developer wishes the ISO to study within the scope described in Section 30.10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection System Reliability Impact Study, the ISO shall provide to the Developer a good faith estimate of the cost and timeframe for completing such study.

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

Interconnection System Reliability Impact Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

The Developer shall submit the requested technical data and a $10,000 deposit to the ISO within fifteen (15) Business Days after the ISO's notice to the Developer and Connecting Transmission Owner of the good faith estimate of the cost and timeframe for completing such study.

30.10.2 Scope of Optional Interconnection System Reliability Impact Study

The Optional Interconnection System Reliability Impact Study will consist of a sensitivity analysis based on the assumptions specified by the Developer in the Optional Interconnection System Reliability Impact Study scope. The Optional Interconnection System Reliability Impact Study will also identify the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities, and the estimated cost thereof, that may be required to provide Energy Resource Interconnection Service based upon the results of the Optional Interconnection System Reliability Impact Study. The scope of the Optional Interconnection System Reliability Impact Study will be provided to the Developer and Connecting Transmission Owner for review and comment. After the Optional Interconnection System Reliability Impact Study scope is finalized, the ISO will provide the final scope to the Connecting Transmission Owner and the Developer. The Connecting Transmission Owner shall indicate its agreement to the Optional Interconnection System Reliability Impact Study scope by signing it and promptly returning it to the ISO, such agreement not to be unreasonably withheld. The Optional Interconnection System Reliability Impact Study shall be performed solely for informational purposes. The ISO shall use Reasonable Efforts to coordinate the study with any Affected System that may be affected by the types of options that are being studied. The ISO shall utilize

existing studies to the extent practicable in conducting the Optional Interconnection System Reliability Impact Study.

30.10.3 Optional Interconnection System Reliability Impact Study Procedures

The required study deposit and technical data called for in the Optional Interconnection System Reliability Impact Scope must be provided to the ISO within fifteen (15) Business Days of Developer receipt of the good faith estimate of the cost and time frame for completing the Optional Interconnection System Reliability Impact Study from the ISO. The ISO shall notify the Developer and the Connecting Transmission Owner that the Optional Interconnection System Reliability Impact Study has commenced following receipt of the required study deposit and once the ISO deems the required technical data sufficient. The ISO shall use Reasonable Efforts to complete the Optional Interconnection System Reliability Impact Study within a mutually agreed upon time period specified within the Optional Interconnection System Reliability Impact Study scope. If the ISO is unable to complete the Optional Interconnection System Reliability Impact Study within such time period, it shall notify the Developer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to the ISO or refunded to the Developer, as appropriate. Upon request, the ISO shall provide the Developer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection System Reliability Impact Study, subject to confidentiality arrangements consistent with Section 30.13.1.

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 Faciltiy 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.

30.13 Miscellaneous

30.13.1 Confidentiality

Certain information exchanged by the Parties during the administration of these Large Facility Interconnection Procedures shall constitute confidential information ("Confidential Information") and shall be subject to this Section 30.13.1.

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

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

30.13.1.1 Scope

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

Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the Standard Large Generator Interconnection Agreement; or (6) is required, in accordance with Section 30.13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the Standard Large Generator Interconnection Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

30.13.1.2 Release of Confidential Information

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Developer, or to potential purchasers or assignees of Developer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 30.13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 30.13.1.

30.13.1.3 Rights

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

30.13.1.4 No Warranties

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

30.13.1.5 Standard of Care

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

30.13.1.6 Order of Disclosure

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

disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

30.13.1.7 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Section 30.13.1. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 30.13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 30.13.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 30.13.1.

30.13.1.8 Disclosure to FERC, its Staff, or a State

Notwithstanding anything in this Section 30.13.1 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to these Large Facility Interconnection Procedures or the ISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential

and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the LGIA when its is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner consistent with applicable state rules or regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

30.13.1.9 Subject to the exception in Section 30.13.1.8, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the supplying Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under these Large Facility Interconnection Procedures, the ISO OATT or NYISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Parties in writing and agrees to assert confidentiality and cooperate with the

other Parties in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

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

30.13.2 Delegation of Responsibility

The ISO may use the services of subcontractors as it deems appropriate to perform its obligations under these Large Facility Interconnection Procedures. The ISO shall remain primarily liable to the Developer for the performance of such subcontractors and compliance with its obligations under these Large Facility Interconnection Procedures. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

30.13.3 Obligation for Study Costs and Study Deposits

30.13.3.1 The ISO shall charge and Developer shall pay the actual costs of the Interconnection Studies incurred by the ISO and Transmission Owner. If a number of Interconnection Studies are conducted concurrently as a combined study, except for a Class Year Interconnection Facilities Study, each Developer shall pay an equal share of the actual cost of the combined study. However, no Developer electing to be evaluated only for ERIS shall be responsible for any cost of any CRIS evaluation in the combined study and any Class Year Project that

that elects, pursuant to Section 25.7.7.1 of Attachment S, to withdraw from the Class Year Interconnection Facilities Study, withdraw its CRIS request or elect to have no System Deliverability Upgrade identified to make the project deliverable at its level of requested CRIS, shall not be responsible for any additional detailed studies required for System Deliverability Upgrades. Beginning with the Class Year subsequent to Class Year 2012, Class Year Projects shall be responsible for Class Year Interconnection Facilities Study costs in the following manner: (1) each Class Year Project shall pay the actual cost of studying the Attachment Facilities, Interconnection Facilities and Distribution Upgrades for its own facility; (2) each Class Year Project shall pay the actual cost of studying Local System Upgrade Facilities for its own facility; and (3) each Class Year Project in a Class Year shall pay an equal share of all other Class Interconnection Facilities Study costs (*i.e.*, those not related to Attachment Facilities, Interconnection Facilities, Distribution Upgrades or Local System Upgrade Facilities). With respect to the costs of studying the Attachment Facilities, Interconnection Facilities and Distribution Upgrades referenced above, if more than one Class Year Project contributes to the need for particular Attachment Facilities, Interconnection Facilities or Distribution Upgrades, those Class Year Projects shall share equally in the cost to study those Attachment Facilities, Interconnection Facilities or Distribution Upgrades. With respect to the costs of studying the Local System Upgrade Facilities referenced above, if more than one Class Year Project contributes to the need for particular Local System Upgrade Facilities, those Class Year Projects shall share equally in the cost to study those

Local System Upgrade Facilities. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to the Class Year Project or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies must be submitted to the ISO within sixty (60) days of completion of the subject Interconnection Study and shall include a detailed and itemized accounting of the cost of each Interconnection Study. Developers and Interconnection Customers shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. Neither the ISO nor Connecting Transmission Owner shall be obligated to perform or continue to perform any studies unless Developer (or Interconnection Customer, as applicable) has paid all undisputed amounts in compliance herewith.

30.13.4 Third Parties Conducting Studies

If (i) at the time that ISO provides a good faith estimate of the time to complete or at the time of the signing of an Interconnection Facilities Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) the Developer receives notice pursuant to Sections 30.6.3, 30.7.4 or 30.8.3 that the ISO will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) the Developer receives neither the Interconnection Study nor a notice under Sections 30.6.3, 30.7.4 or 30.8.3 within the applicable timeframe for such Interconnection Study, then the Developer may request the ISO to utilize a consultant or other third party reasonably acceptable to the Developer and the

ISO to perform such Interconnection Study under the direction of the ISO. At other times, the ISO may also utilize a Connecting Transmission Owner or other third party to perform such Interconnection Study, either in response to a general request of the Developer, or on its own volition. In all cases, use of a third party shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where the ISO determines that doing so will help maintain or accelerate the study process for the Developer's pending Interconnection Request and not interfere with the ISO's progress on Interconnection Studies for other pending Interconnection Requests. In cases where the Developer requests to use a third party to perform such Interconnection Study, the Developer, the ISO and Connecting Transmission Owner shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. The ISO shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon the Developer's request subject to the confidentiality provision in Section 30.13.1. In any case, such third-party study contract may be entered into with either the Developer or the ISO at the ISO's discretion. If a Developer enters into a third-party study contract, the Developer shall provide the study to the ISO and the Connecting Transmission Owner for review, and such third-party study contract shall provide for reimbursement by the Developer of the ISO's and Connecting Transmission Owner's actual cost of participating in and reviewing the study. In the case of (iii) above in this Section 30.13.4, the Developer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third-party study. Such third party shall be required to comply with these Large Facility Interconnection Procedures, Article 26 of the LGIA (Subcontractors), and the relevant ISO OATT procedures and protocols as would apply if the ISO were to conduct the

Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. The ISO and Connecting Transmission Owner shall cooperate with such third party and Developer to complete and issue the Interconnection Study in the shortest reasonable time.

30.13.5 Disputes

30.13.5.1 Submission

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, these Standard Large Facility Interconnection Procedures, or their performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of the Standard Large Generator Interconnection Agreement.

30.13.5.2 External Arbitration Procedures

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one

arbitrator who shall sit on a three-member arbitration panel. The arbitrators so chosen shall within twenty (20) Calendar Days select one of them to chair the arbitration panel. In each case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 30.13, the terms of this Section 30.13 shall prevail.

30.13.5.3 Arbitration Decisions

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

30.13.5.4 Costs

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

30.13.5.5 Non-Binding Dispute Resolution Procedures

If a Party has submitted a Notice of Dispute pursuant to Section 30.13.5.1 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 30.13.5 arbitration process, a Party may request that the ISO engage in Non-binding Dispute Resolution pursuant to this section by providing written notice to the ISO ("Request for Non-Binding Dispute Resolution"). Such Request for Non-Binding Disputes Resolution shall contain: (i) the name of the Party making the request, (ii) an indication of the Developer, Connecting Transmission Owner, Affected Transmission Owner, and/or other potentially affected parties, to the extent known, (iii) a description of the dispute with sufficient detail to apprise the ISO, Developer, Connecting Transmission Owner, Affected Transmission Owner, and/or other potentially affected parties the nature of the claim, (vi) copies of any materials that the Developer has relied on to support its initial Notice of Dispute pursuant to Section 30.13.5.1, if applicable, and (v) citations to the ISO Tariffs and other relevant materials upon which the Party's dispute relies. Conversely, any Party may file a Request for Non-Binding Dispute Resolution pursuant to this section without first seeking mutual agreement to pursue the Section 30.13.5 arbitration process. The process in Section 30.13.5.5 shall serve as an alternative to, and not a replacement of, the Section 30.13.5 arbitration process. Pursuant to this process, the ISO must within thirty (30) Calendar 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. Any individual appointed as a neutral decision-maker shall make known to the disputing parties any such disqualifying relationship or interest and a new neutral decision-maker shall be appointed, unless express written consent is provided by each Party to the dispute.

Unless otherwise agreed by the Parties, the neutral 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 neutral decision-maker shall be authorized only to interpret and apply the provisions of the Standard Large Facility Interconnection Procedures and Standard Large Generator Interconnection Agreement and shall have no power to modify or change any provision of the Standard Large Facility Interconnection Procedures and Large Generator Interconnection Agreement 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 30.13.5 arbitration, or in a Federal Power Act section 206 complaint. Each Party shall be responsible for its own costs incurred during the process and the cost of the neutral decision-maker shall be divided equally among each Party to the dispute.

30.13.6 Local Furnishing Bonds and Other Tax-Exempt Financing

30.13.6.1 Connecting Transmission Owners and Affected Transmission Owner(s) that Own Facilities Financed by Local Furnishing Bonds or Other Tax-Exempt Bonds

This provision is applicable only to a Connecting Transmission Owner or Affected Transmission Owner(s) that has financed facilities with tax-exempt bonds including, but not

limited to, Local Furnishing Bonds ("Tax-Exempt Bonds"). Notwithstanding any other provision of this LGIA and LFIP, neither the ISO nor Connecting Transmission Owner shall be required to provide interconnection service to Developer, nor shall any Connecting Transmission Owner or Affected Transmission Owner be required to construct System Upgrade Facilities or System Deliverability Upgrades, pursuant to this LGIA and LFIP, if the provision of such interconnection service or such construction would jeopardize the tax-exempt status of any Tax-Exempt Bonds or impair the ability of Connecting Transmission Owner or Affected Transmission Owner(s) to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

30.13.6.2 Alternate Procedures for Requesting Interconnection Service

If a Connecting Transmission Owner or Affected Transmission Owner(s) determines that the provision of interconnection service requested by a Developer would jeopardize the tax-exempt status of any Tax-Exempt Bond(s) used to finance its facilities that would be used in providing such interconnection service, or impair its ability to issue future tax-exempt obligations, Connecting Transmission Owner or Affected Transmission Owner(s) shall advise the Developer and the ISO within thirty (30) Calendar days of receipt of the Interconnection Request.

The Developer thereafter may renew its request for interconnection using the process specified in Section 30.3 of the ISO OATT.

30.14 Appendices

APPENDIX 1 TO LFIP - INTERCONNECTION REQUEST

1. The undersigned Developer submits this request to interconnect its Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or Distribution System pursuant to the Standard Large Facility Interconnection Procedures in the ISO OATT ("LFIP").

2. This Interconnection Request is for [insert project name]:_____

_____, which

is (check one of the following):

____ A proposed new Large Generating Facility

____ A proposed multi-unit Large Generating Facility

____ A proposed new BTM:NG Resource

____ A proposed new Class Year Transmission Project

____ A material modification to a proposed or existing facility (e.g., an increase in the capacity of an existing facility beyond the permissible de minimis increases permitted under Section 30.3.1 of Attachment X to the ISO OATT)

3. Legal Name of the Developer (or, if an individual, individual's name) (must be a single individual or entity):

Name of Developer: _____

Contact Person: _____

Title**:** _____

Address: _____

Email: _____

Address or location or the proposed new Large Facility site (to the extent known) or, in the case of an existing Generating Facility or Class Year Transmission Project, the name and specific location of that existing facility:_____

_____

_____

4. Approximate location, and, if available, address, coordinates, of the proposed Point(s) of Interconnection: _____

_____

5. MW nameplate rating: _____

6. Requested Interconnection Service:

MW of requested ERIS: _____

(NOTE: A Developer may request ERIS below the Generating Facility Capability for Large Generating Facilities and the full facility capacity for Class Year Transmission Projects subject to the requirements and limitations set forth in Section 30.3.2.3 of Attachment X to the ISO OATT).

- If requesting ERIS for a multi-unit facility, specify the allocation of requested ERIS among such units

- Maximum summer net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 90 degrees F: _____
  Maximum winter net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 10 degrees F : _____

- MW of requested increase in ERIS of an existing facility, as calculated from the baseline ERIS (as defined in Section 30.3.1 of Attachment X – for temperature-sensitive machines, provide the summer and winter MW vs. temperature curves for both gross MW and net MW corresponding to the requested net MW values provided above):_____

MW of requested CRIS: _____

- If requesting CRIS for a multi-unit facility, specify the allocation of requested CRIS among such units:

7. If a Class Year Transmission Project, which of the following forms of CRIS does the Developer intend to request:

   Unforced Capacity Deliverability Rights
   External-to-Rest of State Deliverability Rights

8. General description of the proposed Project (e.g.: describe type/size/number/general configuration of the proposed generator units, transmission, transformers, feeders, lines leading to the proposed point of interconnection(s), breakers, etc):

9. Attach a conceptual breaker one-line diagram and a project location geo map.;

10. Proposed In-Service Date (Month/Year): _____

Proposed Initial Synchronization Date (Month/Year): _____

Proposed Commercial Operation Date (Month/Year): _____

11. Project power flow, short circuit, transient stability modeling data and supporting documentation (as set forth in Attachment A) (optional). Modeling data will be required during the scoping and applicable study agreement process, as coordinated by the ISO.

12. $10,000 non-refundable application fee must be submitted with this Interconnection Request form.

13. Evidence of Site Control as specified in the LFIP (check one):

    ____ Is attached to this Interconnection Request and provides site control for the following number of acres: _____; or

    ____ Will be provided at a later date in accordance with the LFIP, in which case a non-refundable $10,000 deposit in lieu of site control must be provided with this Interconnection Request form

14. This Interconnection Request shall be submitted to the ISO through the interconnection portal on the NYISO website.

15. This Interconnection Request is submitted by:

    Signature: _____

    Name (type or print): _____

    Title: _____

    Company: _____

    Date: _____

LARGE GENERATING FACILITY PRELIMINARY DATA
(Additional data will be required at subsequent stages of the interconnection study process)

1. Describe the composition of assets (including MW level) within the Large Generating Facility, including load reduction assets (e.g., 50 MW wind facility, 20 MW Energy Storage Resource and a load reduction resource with a maximum of 1 MW of load reduction):

2. Maximum Injection Capability of entire Large Generating Facility over 1 hour:

3. If the facility includes a Resource with Energy Duration Limitations , indicate the maximum injection capability for the entire Large Generating Facility over the selected duration (e.g., 100 MW over 4 hours):

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

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

Generator Nameplate Rating: _____MW (Typical)

MVA _____ °F _____ Voltage (kV)_____

Maximum Reactive Power at Rated Power Leading and

Lagging (MVAR): ___

Connection (e.g. Wye, Delta or Wye-grounded) _____

Reactance data per unit, Subtransient – unsaturated (X"di): _____

Customer-Site Load:_____MW

Existing load? Yes ___ No___

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

If new load or existing load without metered load data, provide estimated coincident Summer peak load, together with supporting documentation for such estimated value: _____

Typical Reactive Load (if known):

Generator (or solar collector) manufacturer, model name & number:

Inverter manufacturer, model name, number, and version:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied at a later stage of the interconnection study process.

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

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

If wind, total number of generators in wind farm to be interconnected pursuant to this Interconnection Request: _____

Generator Height: Single phase_____Three Phase_____

If an Energy Storage Resource:

Inverter manufacturer, model name, number, and version:

Energy storage capability (MWh):

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

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

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

Maximum sustained four-hour injection in MW hours:

Primary frequency response operating range for electric storage resource: _____

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

If a Resource with Energy Duration Limitations

Energy storage capability (MWh): _____

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

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

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

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

Primary frequency response operating range for electric storage resource:

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

GENERATOR STEP-UP TRANSFORMER DATA

RATINGS

Capacity Self-cooled/Maximum Nameplate

_____/_____MVA

Voltage Ratio (Generator Side/System Side/Tertiary)

_____/_____/_____kV

Winding Connections (Generator Side/System Side/Tertiary (Delta or Wye))

_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

IMPEDANCE

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

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

ADDITIONAL INFORMATION REQUESTED FOR CLASS YEAR TRANSMISSION PROJECTS

Description of proposed project:

a. General description of the equipment configuration and kV level:

b. Transmission technology and manufacturer (e.g., HVDC VSC):

ADDITIONAL INFORMATION REQUESTED FOR FACILITIES SEEKING ERIS BELOW FULL OUTPUT

Describe any injection-limiting equipment if the facility is requesting ERIS below its full output:

ATTACHMENT A TO APPENDIX 1 – LFIP INTERCONNECTION REQUEST
Terms and Conditions of Interconnection Study(ies)

These terms and conditions for the study of a Large Generating Facility or Class Year Transmission Project, or a material modification to an existing Large Generating Facility or Class Year Transmission Project proposed in the Interconnection Request dated _____ ("the Project") and submitted by _____, a _____ organized and existing under the laws of the State of _____ ("Developer") sets forth the respective obligations between Developer and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO") (hereinafter the "Terms and Conditions"). By signing below, Developer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

WHEREAS, Developer is proposing to develop the Project; and

WHEREAS, the Project is already interconnected to the New York State Transmission System (or Distribution System, as applicable) or desires to interconnect the Large Facility with the New York State Transmission System (or Distribution System, as applicable); and

WHEREAS, Developer has requested NYISO to perform one or more of the following studies: Optional Interconnection Feasibility Study, Interconnection System Reliability Impact Study, or Optional Interconnection System Reliability Impact Study to assess the impact of the Project on the New York State Transmission System (or Distribution System, as applicable).and any Affected Systems.

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

1.0 When used in these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO's Commission-approved Standard Large Facility Interconnection Procedures ("LFIP").

2.0 Developer shall elect and NYISO shall cause to be performed, in accordance with the NYISO Open Access Transmission Tariff ("OATT"), one or more of the following: an Optional Interconnection Feasibility Study consistent with Section 30.6 of the LFIP, an Interconnection System Reliability Impact Study consistent with Section 30.7 of the LFIP, and an Optional Interconnection System Reliability Impact Study consistent with Section 30.10 of the LFIP, collectively referred to as the "Studies." The terms of Sections 30.6, 30.7, 30.10, 30.13.1, and 30.13.3 of the LFIP, as applicable, are incorporated by reference herein.

3.0 The scopes for the Studies that Developer elects or is required to perform under its Interconnection Request and these Terms and Conditions shall be subject to the

assumptions developed by Developer, NYISO, and the Connecting Transmission Owner(s) at the respective scoping meetings for each Study and approved by NYISO Operating Committee.

4.0 The Studies shall be based on the technical information provided by Developer in the Interconnection Request, as may be modified as the result of the Scoping Meeting and completed study results, if performed and available. NYISO reserves the right to request additional information from Developer as may reasonably become necessary consistent with Good Utility Practice during the course of the Studies (including dynamic modeling data) and as designated in accordance with Section 30.3.3.4 of the LFIP and such additional information shall be provided in a prompt manner. If, after the designation of the Point of Interconnection pursuant to Section 30.3.3.4 of the LFIP, Developer modifies its Interconnection Request pursuant to Section 30.4.4, the time to complete the Studies may be extended.

5.0 Optional Interconnection Feasibility Study. If Developer elects to perform an Optional Interconnection Feasibility Study, the study report shall provide the following:

- If Developer elects to perform an Optional Interconnection Feasibility Study with a limited analysis (i.e., $10,000 study deposit), the study report shall provide, to the extent selected by Developer:
    - development of a conceptual breaker-level one-line diagram of existing NYS Transmission System or Distribution System where the Large Facility proposes to interconnect; and/or
    - a review of the feasibility/constructability of a conceptual breaker-level one-line diagram of the proposed interconnection (e.g., space for additional breaker bay in existing substation or identification of cable routing concerns inside existing substation).
- If Developer elects to perform an Optional Interconnection Feasibility Study with detailed analyses (i.e., $60,000 study deposit), the study report shall provide, to the extent selected by Developer:
    - development of conceptual breaker-level one-line diagram of existing NYS Transmission System or Distribution System where the Large Facility proposes to interconnect (i.e., how to integrate the Large Facility into the existing system);
    - a review of the feasibility/constructability of a conceptual breaker-level one-line diagram of the proposed interconnection (e.g., space for additional breaker bay in existing substation or identification of cable routing concerns inside existing substation);
    - preliminary review of local protection, communication, and grounding issues associated with the proposed interconnection;

- power flow, short circuit, and/or bus flow analyses; and/or

- preliminary identification of Connecting Transmission Owner Attachment Facilities and Local System Upgrade Facilities with a non-binding good faith cost estimate of Developer's cost responsibility and a non-binding good faith estimated time to construct.

6.0 Interconnection System Reliability Impact Study. The Interconnection System Reliability Impact Study report shall provide the following information:

- Identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

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

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;

- description and non-binding, good faith estimated cost of facilities required to interconnect the Large Facility to the New York State Transmission System (or Distribution System, as applicable) and to address the identified short circuit, instability, and power flow issues; and

- if Developer opts to skip the Optional Interconnection Feasibility Study NYISO will supplement the information set forth above.

- if Developer is required to or elects to include a preliminary non-binding deliverability evaluation under the Deliverability Interconnection Standard pursuant to Section 30.7.3.2 of Attachment X to the OATT, the System Reliability Impact Study report shall also (1) identify, at a high level, potential System Deliverability Upgrades to make the facility fully deliverable for the full amount of requested CRIS; and (2) provide preliminary non-binding cost estimates for such potential System Deliverability Upgrades.

7.0 Optional Interconnection System Reliability Impact Study. If Developer elects to perform an Optional Interconnection System Reliability Impact Study, the study report shall provide a sensitivity analysis based on the assumptions specified by Developer in the scope for the Optional Interconnection System Reliability Impact Study developed in accordance with Section 3.0 of these Terms and Conditions. The Optional Interconnection System Reliability Impact Study will identify the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities, and the estimated cost thereof, that may be required to provide Energy Resource Interconnection Service based upon the assumptions specified by Developer in the scope for the Optional Interconnection System Reliability Impact Study developed in accordance with Section 3.0 of these Terms and Conditions.

8.0 Developer shall provide a deposit in accordance with the LFIP for the performance of

each study that Developer elected to be performed in connection with its Interconnection Request and under these Terms and Conditions. NYISO shall provide a good faith estimate for the time of completion for each of the studies elected or required to be performed in accordance with the LFIP.

8.1 Upon Developer's receipt of the final report for each study performed, NYISO shall charge and Developer shall pay to NYISO the actual costs of each respective study incurred by NYISO, as computed on a time and materials basis in accordance with the rates provided to the Developer at the time that NYISO provides the good faith estimate of the cost for each study elected or required to be performed in connection with the Interconnection Request and under these Terms and Conditions.

8.2 Any difference between the deposit for and the actual cost of any study performed under these Terms and Conditions shall be paid by or refunded to Developer, as appropriate.

9.0 Miscellaneous.

9.1 Accuracy of Information. Except as Developer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, Developer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer shall promptly provide NYISO with any additional information needed to update information previously provided.

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

9.3 Limitation of Liability. In no event shall NYISO or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with these Terms and Conditions or the Studies performed or any reliance on the Studies by Developer or third parties, even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and

Conditions.

9.4 Third-Party Beneficiaries. Without limitation of Sections 8.2 and 8.3 under these Terms and Conditions, Developer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, one or more of the Studies requested under the Interconnection Request shall be deemed third-party beneficiaries of these Sections 8.2 and 8.3 under these Terms and Conditions.

9.5 Term and Termination. The obligations to conduct the Studies and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the Studies are completed (i.e., approved by the NYISO Operating Committee, as applicable). Developer or NYISO may terminate their obligations under these Terms and Conditions upon the withdrawal of Developer's Interconnection Request under Section 30.3.6 of the LFIP.

9.6 Governing Law. These Terms and Conditions and any study performed thereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

9.7 Severability. In the event that any part of these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.

9.8 Amendment. No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by Developer and NYISO hereto.

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

9.10 Independent Contractor. Developer agrees that NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer as a result of performing any work under these Terms and Conditions.

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

9.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of Developer and NYISO and their respective successors and assigns.

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

_____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

APPENDIX 1-A TO LFIP – EXTERNAL CRIS RIGHTS REQUEST

1. The undersigned Entity (the "Requestor") submits this request to obtain External CRIS Rights for the number of Megawatts ("MW") of External ICAP specified below, pursuant to Section 25.7.11 of Attachment S to the ISO OATT and ISO Procedures.

2. The Requestor provides the following information:

2.1 _____ Years - The term of the requested Award Period (minimum five (5) years).

2.2 _____ MW of External CRIS requested for each month of Summer Capability Period. The same number of MW must be supplied for all months of each Summer Capability Period throughout the Award Period.

2.3 _____ MW of External CRIS requested each month of Winter Capability Period (cannot exceed MW committed for Summer Capability Period). None required, but if Requestor does commit MW to any month of Winter Capability Period, Requestor must specify months requested below.

___November □
___December □
___January □
___February □
___March □
___April □

2.4 The External Interface(s) to be used for the External ICAP:

_____

3. A Requestor may request external CRIS rights by making either a contract commitment or a non-contract commitment for the award period. A requestor must indicate the type of its commitment, as follows:

3.1 _____ Contract commitment; or

3.2 _____ Non-contract commitment.

4. This External Rights Request shall be submitted to the ISO through the interconnection portal on the NYISO website.

5. Representative of the Requestor to contact, including phone number and e-mail address:

Name (type or print): _____

Title: _____

Company: _____

Address: _____

Email: _____

6. This External CRIS Rights Request is submitted by:

By (signature): _____

Name (type or print): _____

Title: _____

Company: _____

Date: _____

APPENDIX 2 to LFIP - CLASS YEAR STUDY AGREEMENT

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

RECITALS

WHEREAS, Developer is [proposing to develop a Large Generating Facility or Class Year Transmission Project/proposing a capacity addition to an existing Generating Facility or Class Year Transmission Project consistent with the Interconnection Request submitted by the Developer dated _____, including any project modifications reviewed and approved by the NYISO /owns an existing or proposed facility requesting only Capacity Resource Interconnection Service ("CRIS")/requesting an increase in Capacity Resource Interconnection Service ("CRIS")]; and

WHEREAS, the NYISO has confirmed that the Developer has satisfied the eligibility requirements for entering a Class Year Interconnection Facilities Study ("Class Year Study"); and

WHEREAS, Developer has elected to enter an Interconnection Facilities Study in order to obtain [Energy Resource Interconnection Service ("ERIS")/ERIS and Capacity Resource Interconnection Service ("CRIS")/only Capacity Resource Interconnection Service ("CRIS")/an increase in Capacity Resource Interconnection Service ("CRIS")] pursuant to Attachments S, X and Z to the NYISO's Open Access Transmission Tariff ("OATT"), as applicable.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Section 30.1 of Attachment X to the NYISO's OATT or Section 25.1.2 of Attachment S to the NYISO's OATT.

2.0 Developer elects to be evaluated for [ERIS/ERIS and CRIS/CRIS only/an increase in CRIS] and NYISO shall cause to be performed an Interconnection Facilities Study consistent with Attachments S and X to the ISO OATT. The terms of the above-referenced OATT Attachments, as applicable, are hereby incorporated by reference herein.

3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.

4.0 For Developers seeking ERIS, the Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the facility to the New York State Transmission System (or Distribution System, as applicable) and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Reliability Impact Study. For Developers seeking CRIS, the Interconnection Facilities Study report (i) shall identify whether System Deliverability Upgrades are required for the facility to be fully deliverable at its requested level of CRIS; and (ii) shall provide a description and estimated cost of any required System Deliverability Upgrades, to the extent required, based on the Developer's election under Section 25.7.7.1 of Attachment S to the ISO OATT. For Developers seeking both ERIS and CRIS, the Interconnection Facilities Study report shall provide all of the information described in this Section 4.0.

5.0 The Developer shall provide a deposit of [$100,000 if requesting evaluation for ERIS or ERIS and CRIS/$50,000 if requesting only CRIS] for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

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

6.0 Miscellaneous.

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

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

such representations or warranties have formed the basis of its bargain hereunder.

6.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection Facilities Study or any reliance on the Interconnection Facilities Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

6.4 Third-Party Beneficiaries. Without limitation of Sections 6.2 and 6.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants employed by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection Facilities Study shall be deemed third party beneficiaries of these Sections 6.2 and 6.3.

6.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 6.5, shall continue in effect until the later of (1) the Interconnection Facilities Study for Developer's facility is completed and approved by the NYISO Operating Committee; or (2) the Additional SDU Study, as applicable, is completed and approved by the NYISO Operating Committee. Developer or NYISO may terminate this Agreement upon the withdrawal of the Developer's project from the Interconnection Facilities Study pursuant to Section 25.7.7.1 of Attachment S.

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

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

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

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

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

6.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting

Transmission Owner as a result of this Agreement.

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

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

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

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Attachment A To Appendix 2 - Class Year Study Agreement

SCHEDULE FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

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

- estimated completion date (i.e., Operating Committee approval of the Class Interconnection Facilities Study) for Class Year 20__ Interconnection Facility Study for the Annual Transmission Reliability Assessment required by Attachment S to the ISO OATT: ____/____/_____, if no additional System Deliverability Upgrade studies are required.

- Study work (other than data provision and study review) that may be requested of the Transmission Owner by the NYISO is currently not specified, but will be specified in a Study Work Agreement to be developer between the NYISO and Transmission Owner.

- Pursuant to Article 5.0 of this Agreement, the rates for the study work are attached as Exhibit 1.

If Developer elects to proceed with an Additional SDU Study required for any identified SDUs for the project, the NYISO and Connecting Transmission Owner shall use Reasonable Efforts to complete the Additional SDU Study and issue an Additional SDU Study report to the Developer within the following number of days after Developers notice to the NYISO pursuant to Section 25.5.10 of Attachment S that it elects to proceed with an Additional SDU Study:

- estimated completion date (i.e., Operating Committee approval of the Additional SDU Study): ____/____/_____.

- Additional SDU Study work (other than data provision and study review) that may be requested of the Connecting Transmission Owner by the NYISO is currently not specified, but will be specified in a Study Work Agreement to be developed between the NYISO and Connecting Transmission Owner.

- Pursuant to Article 5.0 of this Agreement, the rates for the study work for the Additional SDU Study are attached as Exhibit 1.

Attachment B To Appendix 2 - Interconnection Facilities Study Agreement

DATA FORM TO BE PROVIDED BY DEVELOPER

WITH THE INTERCONNECTION FACILITIES STUDY AGREEMENT

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

2. Finalize and specify your Interconnection Service evaluation election for the Class Year Study. Developer should specify either Energy Resource Interconnection Service ("ERIS") alone, both ERIS and some MW level of Capacity Resource Interconnection Service ("CRIS") or CRIS only (e.g., if your facility is already interconnected taking only ERIS, you may elect to be evaluated for CRIS only); provided however, that CRIS requests are subject to the limits specified in Section 25.8.1 of Attachment S to the ISO OATT. Evaluation election:

   ERIS: _____

   If requesting ERIS for a multi-unit Large Generating Facility, specify the allocation of requested ERIS among such units

   CRIS: _____

   If requesting CRIS for a multi-unit Large Generating Facility, specify the allocation of requested CRIS among such units:

   _____

   For a Resource with Energy Duration Limitations that is requesting CRIS, indicate the maximum injection capability over the selected duration (e.g., 10 MWh over 4 hours

3. Proposed Schedule:

   Begin Construction Date: _____

   In-Service Date: _____

   Initial Synchronization Date: _____

   Generation Testing Date: _____

   Commercial Operation Date: _____

4. Additional Information Required as Part of this Data Form:

Additional Information:

Nameplate MW: _____

Nameplate MVA: _____

Auxiliary Load MW: _____

Auxiliary Load MVAR: _____

For temperature sensitive units, provide MW vs. temp curves and indicate maximum summer and winter net capability below:

- Maximum summer net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 90 degrees F: _____
- Maximum winter net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 10 degrees F : _____

1. One set of metering is required for each generation connection to the new ring bus or existing Connecting Transmission Owner station. Number of generation connections: ___ _____
2. On the one-line indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
3. On the one-line indicate the location of auxiliary power. (Minimum load on CT/PT) Amps
4. Will an alternate source of auxiliary power be available during CT/PT maintenance? _____ Yes _____ No
5. 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

   (If yes, indicate on one-line diagram).

6. What type of control system or PLC will be located at the Developer's facility?

_____

7. What protocol does the control system or PLC use?

_____

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

_____

9. Physical dimensions of the proposed interconnection station:

_____

10. Bus length from generation to interconnection station:

_____

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

_____

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

_____

13. Number of third-party easements required for transmission lines, if known:

_____

14. Describe any injection-limiting equipment if the facility is requesting ERIS below its full output:

_____

BTM:NG Resources

15. In addition to the above information, as applicable, for BTM:NG Resources, please also provide the following information:

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

Existing load? Yes ___ No___

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

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

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

_____ Yes _____No Local provider: _____

Resources with Energy Duration Limitations

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

Energy storage capability (MWh): _____

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

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

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

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

_____

Maximum sustained injection (in MW) over the Developer-selected duration;

Primary frequency response operating range for electric storage resource:

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

If requesting CRIS, indicate the maximum injection capability over the selected duration (e.g., 2.5 MW over 4 hours for a total of 10 MWh):

APPENDIX 2-A TO LFIP – FACILITIES STUDY AGREEMENT FOR EXTERNAL CRIS RIGHTS

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

RECITALS

WHEREAS, Requestor has, pursuant to Section 25.7.11 of Attachment S to the ISO

OATT, requested External CRIS Rights for a specified number of MW of External CRIS; and

WHEREAS, NYISO has determined that Requestor has submitted a complete External CRIS Rights Request, in accordance with the applicable requirements of the NYISO Tariffs and ISO Procedures; and

WHEREAS, Requestor has requested NYISO and Connecting Transmission Owner to evaluate the specified number of MW of External ICAP in the currently Open Class Year Deliverability Study to specify the Deliverable MW for its External ICAP, and also to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the System Deliverability Upgrades required for External CRIS Rights.

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 meaning indicated herein, or in Attachment S or Attachment X to the ISO OATT, or in Article Z of the NYISO Services Tariff.

2.0 Requestor requests that NYISO and Connecting Transmission Owner evaluate the deliverability of Requestor's External CRIS Rights in accordance with Section 25.7.11 of Attachment S to the ISO OATT. Requestor's External CRIS Rights are not subject to, and shall not be evaluated by applying, the NYISO Minimum Interconnection Standard.

3.0 Requestor shall provide a deposit of $50,000 for the performance of the Class Year Study for its External CRIS Rights. The time for completion of the Class Year Deliverability Study is specified in Attachment A to this Agreement.

NYISO shall invoice Requestor on a monthly basis for the expenses incurred by NYISO and Connecting Transmission Owner on the Class Year Deliverability Study for Requestor each month, as computed on a time and materials basis in accordance with the rates attached hereto. Requestor shall pay invoiced amount to NYISO within thirty (30) Calendar Days of receipt of invoice. NYISO shall continue to hold Requestor's deposit until settlement of the final invoice.

4.0 Miscellaneous

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

4.2 Disclaimer of Warranty. In preparing the Class Year Deliverability Study, the Party preparing such study and any subcontractor consultants employed by it shall

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

4.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Class Year Deliverability Study for External ICAP, or any reliance on the Class Year Deliverability Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

4.4 Third-Party Beneficiaries. Without limitation of Sections 4.2 and 4.3 of this Agreement, Requestor and Connecting Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, a Class Year Deliverability Study shall be deemed third party beneficiaries of these Sections 4.2 and 4.3.

4.5 Terms and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 30.4.5, shall continue in effect until the Class Year Deliverability Study for Requestor's External CRIS Rights is completed and approved by the NYISO Operating Committee. Requestor or NYISO may terminate this Agreement upon the withdrawal of Requestor's External CRIS Rights Request under Section 25.7.11 of Attachment S to the ISO OATT or upon Developer's withdrawal from the Class Year Study pursuant to Section 25.7.7.1 of Attachment S.

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

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

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

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

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

4.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Requestor as a result of this Agreement.

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

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

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

New York Independent System Operator, Inc.

By. _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Requestor]

By: _____

Title: _____

Date: _____

Attachment A To Facilities Study Agreement for External CRIS Rights

SCHEDULE FOR CONDUCTING THE FACILITIES STUDY FOR EXTERNAL CRIS Rights

NYISO and Connecting Transmission Owner shall use Reasonable Efforts to complete the study and issue a Class Year Deliverability Study report to Requestor within the following number of days after or receipt of an executed copy of this Agreement:

Estimated completion date for Class Year 20__ Deliverability Study required by Section 25.7.11 Attachment S to the ISO OATT: ____/____/_____, assuming no additional detailed studies are required to evaluate System Deliverability Upgrades.

DATA FORM TO BE PROVIDED BY REQUESTOR
WITH THE FACILITIES STUDY AGREEMENT FOR EXTERNAL ICAP

a. _____MW of External ICAP certified to be supplied for each month of Summer Capability Period. The same number of MW must be supplied for all months of each Summer Capability Period throughout the Award Period

b. _____MW of External ICAP certified to be supplied for each month of Winter Capability Period (cannot exceed MW committed for Summer Capability Period). None required, but if Requestor does commit MW to any month of Winter Capability Period, Requestor must specify months covered by commitment.

c. The External Interface(s) proposed to be used for the External ICAP.

OTHER ASSUMPTIONS

_____

_____

Appendix 3 to LFIP – LARGE FACILITY MODIFICATION REQUEST

Large Facility Modification Request

1. The undersigned Developer submits this request to modify an Interconnection Request for a Large Generating Facility or Class Year Transmission Project currently in the NYISO's Interconnection Queue.

2. Queue No. (if applicable): _____ Project Name: _____

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

___ Change in Electric Output (MW) of the Large Facility

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

___ Modification to Interconnection Configuration

___ Technological Change or Advancement

___ Extension of Commercial Operation Date

___ Other Modification Not Listed Above

4. Description of proposed modification:

_____

_____

_____

_____

5. Attach a revised conceptual breaker one-line diagram and a project location geo map, as applicable.

6. If the modification is a decrease in the facility capacity or requested interconnection service, provide an explanation for the decrease, including a description of the injection-limiting equipment with all the necessary parameters of such equipment, as applicable:

_____

7. Proposed modification to an Interconnection Request due to a technological advancement,

which includes advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request (NOTE: a technological advancement will be evaluated under Section 30.4.4.7 of Attachment X to the OATT, which requires a $10,000 study deposit be submitted with this form).

a. If the modification is due to a technological advancement to the technology originally proposed, detail the proposed configuration of the technological advancement and the manner of installation:

_____

_____

_____

_____

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

Parameter	**Before Application of Proposed Technological Advancement**	**After Application of Proposed Technological Advancement**
Total Project MVA		
MVA/Unit		
Subtransient Impedance (R" + jX") or equivalent fault current limit for inverter-based technology		
Total Project MW		
MW/Unit		
Total Project Mvar Capability		
Mvar Capability/Unit		
Unit kV		
Total Project Power Factor		
Unit Power Factor		
Unit Dynamic Model		
Associated Device(s) Dynamic Model		

Any applicable parameter that will change		
Total Project Single Line Diagram		

c. If any of the above parameters would change due to the proposed technological advancement, demonstrate that the proposed incorporation of the technological advancement would result in electrical performance that is equal to or better than the electrical performance expected prior to the technology change and not cause any reliability concerns (*i.e.*, not have a material adverse impact on the transmission system with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response). Provide support, including any completed studies, that demonstrate that the technological advancement is permissible and/or non-material under Section 30.4.4.7 of Attachment X to the OATT.

_____

_____

_____

_____

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

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

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

   c. For a proposed change four (4) years or more beyond the date that the Developer and all other Developers remaining in the Class Year posted Security as a part of a Class Year Interconnection Facilities Study (*i.e.*, completion of the Class Year), attach an Officer certification and supporting documentation demonstrating that the Developer has made reasonable progress against milestones set forth in the Interconnection Agreement (refer to Section 30.4.4.5.2 of Attachment X to the OATT for specific details for requesting such a change).

9. As it relates to the requested modification of an Interconnection Request, provide any updates to data required in Attachment A to the Interconnection Request – "Large Generating Facility Preliminary Data" or provided during completed stages of the interconnection study process.

_____

_____

_____

10. The NYISO, in consultation with the Connecting Transmission Owner(s), may request additional information, if necessary, to further assess the proposed modification.

Attachment A to Appendix 3 – LARGE FACILITY MODIFICATION REQUEST
Terms and Conditions of a Large Facility Modification Request

These terms and conditions for the review and/or study of a request to modify a proposed Large Generating Facility or Class Year Transmission Project or a material modification to an existing Large Generating Facility or Class Year Transmission Project consistent with the Interconnection Request dated _____, including any project modifications reviewed and approved by the NYISO, ("the Project") and submitted by _____ _____, a _____ organized and existing under the laws of the State of _____ ("Developer"), set forth the respective obligations between Developer and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO") (hereinafter the "Terms and Conditions"). By signing below, Developer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

WHEREAS, Developer is proposing to develop the Project; and

WHEREAS, Developer requests NYISO to evaluate whether the proposed modification to its [Large Generating Facility or Class Year Transmission Project/proposing a capacity addition to an existing Generating Facility or Class Year Transmission Project] set forth in the Large Facility Modification Request would constitute a Material Modification and/or a Permissible Technological Advancement, as applicable, under Attachment X to the NYISO's Open Access Transmission Tariff ("OATT").

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

1.0 When used in these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO's Commission-approved Standard Large Facility Interconnection Procedures ("LFIP").

2.0 Developer requests NYISO to evaluate whether the proposed modification would constitute a Material Modification and/or a Permissible Technical Advancement, as applicable, and if an additional study(ies) is required pursuant to Section 30.4.4.3 and/or Section 30.4.4.7 of Attachment X to the OATT, NYISO shall perform, or cause to be performed, a study(ies) consistent with Attachment X to the OATT.

3.0 The scope of the study(ies) shall be subject to the description and assumptions set forth in the Large Facility Modification Request and the data contained therein or provided upon the request of the NYISO.

4.0 For requested modifications other than a technological advancement, NYISO shall commence any necessary additional studies as soon as practicable, but in no event later than thirty (30) Calendar Days after receiving the Large Facility Modification Request and all necessary data. NYISO shall provide a determination of whether the

modifications proposed in the Large Facility Modification Request would constitute a Material Modification for purposes of Section 30.4.4.3 of Attachment X to the OATT.

5.0 For a proposed modification based on a technological advancement, the Developer shall provide a deposit of $10,000, together with the Large Facility Modification Request, for NYISO to perform a review and, if necessary, any additional studies to evaluate a whether technological advancement constitutes a Permissible Technological Advancement under Section 30.4.4.7 of Attachment X to the OATT. NYISO will provide a determination detailing whether a proposed technological advancement would constitute a Permissible Technological Advancement or a Material Modification, as applicable, within thirty (30) calendar days of the latter of receiving a complete Large Facility Modification Request or the study deposit pursuant to Section 30.4.4.7 of Attachment X to the OATT.

6.0 Following the issuance of a determination on the requested modification or termination of the study pursuant to Article 7.4, NYISO shall invoice the Developer for the actual costs incurred by NYISO and any subcontractor hired to perform study work, as computed on a time and materials basis in accordance with the rates provided to the Developer at the time that the NYISO notifies the Developer that a study(ies) is required to complete its Large Facility Modification Request. Developer shall pay invoiced amounts to NYISO within thirty (30) days of receipt of such invoice. NYISO shall continue to hold any amounts on deposit, if applicable, until settlement of the final invoice.

7.0 Miscellaneous.

7.1 Accuracy of Information. Except as Developer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, Developer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer shall promptly provide NYISO with any additional information needed to update information previously provided.

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

7.3 Limitation of Liability. In no event shall NYISO or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with these Terms and Conditions or the Studies performed or any reliance on the Studies by Developer or third parties,

even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and Conditions.

7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 under these Terms and Conditions, Developer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the study(ies) requested under the Large Facility Modification Request shall be deemed third-party beneficiaries of these Sections 7.2 and 7.3 under these Terms and Conditions.

7.5 Term and Termination. The obligations to conduct the Studies and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the study(ies) is completed or Developer provides a written request to withdrawl its Large Facility Modification Request. Developer or NYISO also may terminate their obligations under these Terms and Conditions upon the withdrawal of Developer's Interconnection Request under Section 30.3.6 of the LFIP.

7.6 Governing Law. These Terms and Conditions and any study performed thereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

7.7 Severability. In the event that any part of these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.

7.8 Amendment. No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by Developer and NYISO hereto.

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

7.10 Independent Contractor. Developer agrees that NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer as a result of performing any work under these Terms and Conditions.

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

7.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of

Developer and NYISO and their respective successors and assigns.

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

_____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Appendix 4 – STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

(Applicable to Generating Facilities that exceed 20 MW)

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STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of _____ 20__, by and among _____, a [corporate description] organized and existing under the laws of the State/Commonwealth of_____ ("Developer" with a Large Generating Facility), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and _____ a [corporate description] organized and existing under the laws of the State of New York ("Connecting Transmission Owner"). Developer, the NYISO, or Connecting Transmission Owner each may be referred to as a "Party" or collectively referred to as the "Parties."

RECITALS

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

WHEREAS, Developer intends to own, lease and/or control and operate the Generating Facility identified as a Large Generating Facility in Appendix C to this Agreement; and,

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

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

ARTICLE 1. DEFINITIONS

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

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

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

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under

the Tariff, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachment P, Attachment X, Attachment Z, or Attachment S to the ISO OATT.

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

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 New York State Transmission System in accordance with Good Utility Practice.

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

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

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which the Developer's Large Generating Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

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

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

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

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by NYISO, Connecting Transmission Owner or Developer; described in Section 30.2.3 of the Standard Large Facility Interconnection Procedures.

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

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

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

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities in Zone J and Zone K are Byways.

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

Capacity Region shall mean one of four subsets of the Installed Capacity statewide markets comprised of (1) Rest of State (i.e., Load Zones A through F); (2) Lower Hudson Valley (i.e., Load Zones G, H and I); (3) New York City (i.e., Load Zone J); and (4) Long Island (i.e., Load Zone K) , except for Class Year Interconnection Facility Studies conducted prior to Class Year 2012, for which "Capacity Region" shall be defined as set forth in Section 25.7.3 of Attachment S to the ISO OATT.

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

Class Year Deliverability Study shall mean an assessment, conducted by the NYISO staff in cooperation with Market Participants, to determine whether System Deliverability Upgrades are required for Class Year CRIS Projects under the NYISO Deliverability Interconnection Standard.

Commercial Operation shall mean the status of a Large 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 Large Generating Facility commences Commercial Operation as agreed to by the Parties, notice of which must be provided to the NYISO in the form of Appendix E-2 to this Agreement.

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

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise

possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to this Agreement.

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

Contingent Facilities shall mean those Attachment Facilities and System Upgrade Facilities and/or System Deliverability Upgrades associated with Class Year Projects upon which the Large Facility's Class Year Project Cost Allocations are dependent, and if delayed or not built, could impact the actual costs and timing of the Large Facility's Project Cost Allocation for System Upgrade Facilities or System Deliverability Upgrades.

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

Developer shall mean an Eligible Customer developing a Large Generating Facility, proposing to connect to the New York State Transmission System, in compliance with the NYISO Minimum Interconnection Standard.

Developer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of this Agreement, that are located between the Large 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 Large Generating Facility to the New York State Transmission System. Developer's Attachment Facilities are sole use facilities.

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

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Connecting Transmission Owner's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of a Large Facility or Small Generating Facility and render the transmission service necessary to affect the Developer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades. Distribution Upgrades are sole use facilities and shall not include Stand Alone System Upgrade Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

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

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

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

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

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

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

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

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

Generating Facility shall mean Developer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Developer's Attachment Facilities or Distribution Upgrades.

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

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

or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts generally accepted in the region.

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

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

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, and UPNY-ConEd, and their immediately connected, in series, bulk power system facilities in New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones that define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones that define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

Initial Synchronization Date shall mean the date upon which the Large Generating Facility is initially synchronized and upon which Trial Operation begins, notice of which must be provided to the NYISO in the form of Appendix E-1.

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

Interconnection Facilities Study shall mean a study conducted by NYISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Standard Large Facility Interconnection Procedures.

Interconnection Facilities Study Agreement ("Class Year Study Agreement") shall mean the form of agreement contained in Appendix 2 of the Standard Large Facility Interconnection Procedures for conducting the Interconnection Facilities Study.

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

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

Interconnection System Reliability Impact Study ("SRIS") shall mean an engineering study, conducted in accordance with Section 30.7 of the Standard Large Facility Interconnection Procedures, that evaluates the impact of the proposed Large Generating Facility on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities, Distribution Upgrades and System Upgrade Facilities are needed for the proposed Large Generating Facility of the Developer to connect reliably to the New York State Transmission System or to the Distribution System in a manner that meets the NYISO Minimum Interconnection Standard in Attachment X to the ISO OATT.

IRS shall mean the Internal Revenue Service.

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

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

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

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

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

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

NYISO Deliverability Interconnection Standard – The standard that must be met, unless otherwise provided for by Attachment S to the ISO OATT, by (i) any generation facility larger than 2MW in order for that facility to obtain CRIS; (ii) any Class Year Transmission Project; (iii) any entity requesting External CRIS Rights, and (iv) any entity requesting a CRIS transfer pursuant to Section 25.9.5 of Attachment S to the ISO OATT. To meet the NYISO Deliverability Interconnection Standard, the Developer must, in accordance with the rules in Attachment S to the ISO OATT, fund or commit to fund any System Deliverability Upgrades identified for its project in the Class Year Deliverability Study.

NYISO Minimum Interconnection Standard – The reliability standard that must be met by any generation facility or Class Year Transmission Project that is subject to NYISO's Large Facility Interconnection Procedures in Attachment X to the ISO OATT or the NYISO's Small Generator Interconnection Procedures in Attachment Z, that is proposing to connect to the New York State Transmission System or Distribution System, to obtain ERIS. The Minimum Interconnection Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System or to the Distribution System. The Minimum Interconnection Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

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

Other Interfaces shall mean the following interfaces into Capacity Regions: Lower Hudson Valley [i.e., Rest of State (Load Zones A-F) to Lower Hudson Valley (Load Zones G, H and I)]; New York City [i.e., Lower Hudson Valley (Load Zones G, H and I) to New York City (Load Zone J)]; and Long Island [i.e., Lower Hudson Valley (Load Zones G, H and I) to Long Island (Load Zone K)], and the following Interfaces between the NYCA and adjacent Control Areas: PJM to NYISO, ISO-NE to NYISO, Hydro-Quebec to NYISO, and Norwalk Harbor (Connecticut) to Northport (Long Island) Cable.

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

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

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

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

Provisional Large Facility Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between the ISO, Connecting Transmission Owner(s) and the Developer. This agreement shall take the form of the Large Generator Interconnection Agreement, modified for provisional purposes and type of facility.

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

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

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

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. NYISO, the Connecting Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to this Agreement. If NYISO, the Connecting Transmission Owner and the Developer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, NYISO and the Connecting Transmission Owner must provide the Developer a written technical explanation outlining why NYISO and the Connecting Transmission Owner does not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) Business Days of its determination.

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

Standard Large Generator Interconnection Agreement ("LGIA") shall mean this Agreement, which is the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility, that is included in Appendix 4 to Attachment X of the ISO OATT.

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

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

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

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

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

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date.

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

2.2 Term of Agreement.

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

2.3 Termination.

2.3.1 Written Notice.

This Agreement may be terminated by the Developer after giving the NYISO and Connecting Transmission Owner ninety (90) Calendar Days advance written notice, or by the NYISO and Connecting Transmission Owner notifying FERC after the Large Generating Facility is Retired.

2.3.2 Default.

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

2.3.3 Compliance.

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

2.4 Termination Costs.

If a Party elects to terminate this Agreement pursuant to Article 2.3.1 above, the terminating Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, that are the responsibility of the terminating Party under this Agreement. In the event of termination by a Party, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

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

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

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

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

2.5 Disconnection.

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

2.6 Survival.

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

ARTICLE 3. REGULATORY FILINGS

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

ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE

4.1 Provision of Service.

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

4.1.1 Product.

NYISO will provide [ ] Interconnection Service to Developer at the Point of Interconnection.

4.1.2 Developer is responsible for ensuring that its actual Large Generating Facility

output matches the scheduled delivery from the Large Generating Facility to the New York State Transmission System, consistent with the scheduling requirements of the NYISO's FERC-approved market structure, including ramping into and out of such scheduled delivery, as measured at the Point of Interconnection, consistent with the scheduling requirements of the ISO OATT and any applicable FERC-approved market structure.

4.2 No Transmission Delivery Service.

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

4.3 No Other Services.

The execution of this Agreement does not constitute a request for, nor agreement to provide Energy, any Ancillary Services or Installed Capacity under the NYISO Market Administration and Control Area Services Tariff ("Services Tariff"). If Developer wishes to supply Energy, Installed Capacity or Ancillary Services, then Developer will make application to do so in accordance with the NYISO Services Tariff.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options.

Unless otherwise mutually agreed to by Developer and Connecting Transmission Owner, Developer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Standard Option or Alternate Option set forth below, and such dates and selected option shall be set forth in Appendix B hereto. At the same time, Developer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated by the Developer are not acceptable to the Connecting Transmission Owner, the Connecting Transmission Owner shall so notify the Developer within thirty (30) Calendar Days. Upon receipt of the notification that Developer's designated dates are not acceptable to the Connecting Transmission Owner, the Developer shall notify the Connecting Transmission Owner within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option.

The Connecting Transmission Owner shall design, procure, and construct the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, using Reasonable Efforts to complete the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades by the dates set forth in Appendix B hereto. The Connecting Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction

procedures, its labor agreements, and Applicable Laws and Regulations. In the event the Connecting Transmission Owner reasonably expects that it will not be able to complete the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades by the specified dates, the Connecting Transmission Owner shall promptly provide written notice to the Developer and NYISO, and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option.

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

5.1.3 Option to Build.

Individual or multiple Developer(s) shall have the option to assume responsibility for the design, procurement and construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities on the dates specified in Article 5.1.2, if the requirements in this Article 5.1.3 are met. When multiple Developers exercise this option, multiple Developers may agree to exercise this option provided (1) all Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities constructed under this option are only required for Developers participating in the same Class Year Study and (2) all impacted Developers execute and provide to the NYISO and Connecting Transmission Owner an agreement regarding responsibilities and payment for the construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities planned to be built under this option. NYISO, Connecting Transmission Owner, and the individual Developer or each of the multiple Developers must agree as to what constitutes Stand Alone System Upgrade Facilities and identify such Stand Alone System Upgrade Facilities in Appendix A hereto. Except for Stand Alone System Upgrade Facilities, Developer shall have no right to construct System Upgrade Facilities under this option.

5.1.4 Negotiated Option.

If the dates designated by Developer are not acceptable to the Connecting Transmission Owner, the Developer and Connecting Transmission Owner shall in good faith attempt to

negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of all facilities other than the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities if the Developer elects to exercise the Option to Build under Article 5.1.3. If the two Parties are unable to reach agreement on such terms and conditions, then, pursuant to Article 5.1.1 (Standard Option), Connecting Transmission Owner shall assume responsibility for the design, procurement and construction of all facilities other than the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities if the Developer elects to exercise the Option to Build.

5.2 General Conditions Applicable to Option to Build.

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

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

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

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

5.2.4 Prior to commencement of construction, Developer shall provide to Connecting Transmission Owner and NYISO a schedule for construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities, and shall promptly respond to requests for information from Connecting Transmission Owner or NYISO;

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

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

5.2.7 Developer shall indemnify Connecting Transmission Owner and NYISO for

claims arising from the Developer's construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities under procedures applicable to Article 18.1 Indemnity;

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

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

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

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

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

5.3 Liquidated Damages.

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

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of the Connecting Transmission Owner Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades for which the Connecting Transmission Owner has assumed

responsibility to design, procure, and construct. The foregoing payments will be made by the Connecting Transmission Owner to the Developer as just compensation for the damages caused to the Developer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this Agreement. Liquidated damages, when the Developer and Connecting Transmission Owner agree to them, are the exclusive remedy for the Connecting Transmission Owner's failure to meet its schedule.

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

5.4 Power System Stabilizers.

The Developer shall procure, install, maintain and operate Power System Stabilizers in accordance with the requirements identified in the Interconnection Studies conducted for Developer's Large Generating Facility. NYISO and Connecting Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, the Developer shall immediately notify the Connecting Transmission Owner and NYISO. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement.

If responsibility for construction of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades is to be borne by the Connecting Transmission Owner, then the Connecting Transmission Owner shall commence design of the Connecting Transmission Owner's Attachment Facilities or System Upgrade

Facilities or System Deliverability Upgrades and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Developer and Connecting Transmission Owner otherwise agree in writing:

5.5.1 NYISO and Connecting Transmission Owner have completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 The NYISO has completed the required cost allocation analyses, and Developer has accepted its share of the costs for necessary System Upgrade Facilities and System Deliverability Upgrades in accordance with the provisions of Attachment S of the ISO OATT;

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

5.5.4 The Developer has provided security to the Connecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B hereto.

5.6 Construction Commencement.

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

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

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

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

5.6.4 The Developer has provided security to the Connecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B hereto.

5.7 Work Progress.

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

5.8 Information Exchange.

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

5.9 Other Interconnection Options

5.9.1 Limited Operation.

If any of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Developer's Large Generating Facility, NYISO shall, upon the request and at the expense of Developer, in conjunction with the Connecting Transmission Owner, perform operating studies on a timely basis to determine the extent to which the Developer's Large Generating Facility and the Developer's Attachment Facilities may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this Agreement. Connecting Transmission Owner and NYISO shall permit Developer to operate the Developer's Large Generating Facility and the Developer's Attachment Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service.

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. NYISO, in conjunction with the Connecting Transmission Owner, shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if the Developer interconnects without modifications to the Large Generating Facility or the New York State Transmission System (or Distribution System as applicable). NYISO, in conjunction with the Connecting Transmission Owner, shall determine whether any Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities, which are necessary to meet Applicable Laws and Regulations, Applicable Reliability 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, NYISO, 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 NYISO, in conjunction with the Connecting Transmission Owner, that the Developer may reliably provide Provisional Interconnection Service, NYISO shall tender to the Developer and Connecting Transmission Owner, a Provisional Large Facility Interconnection Agreement. NYISO, 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.

5.10 Developer's Attachment Facilities ("DAF").

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

5.10.1 DAF Specifications.

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

5.10.2 No Warranty.

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

5.10.3 DAF Construction.

The DAF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Developer and Connecting Transmission Owner agree on another mutually acceptable deadline, the Developer shall deliver to the Connecting Transmission Owner and NYISO "as-built" drawings, information and documents for the DAF, such as: a one-line diagram, a site plan showing the Large Generating Facility and the DAF, plan and elevation drawings showing the

layout of the DAF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Developer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the DAF, and the impedances (determined by factory tests) for the associated step-up transformers and the Large Generating Facility. The Developer shall provide to, and coordinate with, Connecting Transmission Owner and NYISO with respect to proposed specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Connecting Transmission Owner's Attachment Facilities Construction.

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

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

5.12 Access Rights.

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

5.13 Lands of Other Property Owners.

If any part of the Connecting Transmission Owner's Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades is to be installed on property owned

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

5.14 Permits.

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

5.15 Early Construction of Base Case Facilities.

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

5.16 Suspension.

Developer reserves the right, upon written notice to Connecting Transmission Owner and NYISO, to suspend at any time all work by Connecting Transmission Owner associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades required for only that Developer under this Agreement with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of Connecting Transmission Owner and NYISO. In such event, Developer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment S to the ISO OATT including those which Connecting Transmission Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New York State Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Connecting Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or

suspending any such material, equipment or labor contract, Connecting Transmission Owner shall obtain Developer's authorization to do so.

Connecting Transmission Owner shall invoice Developer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Developer suspends work by Connecting Transmission Owner required under this Agreement pursuant to this Article 5.16, and has not requested Connecting Transmission Owner to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Connecting Transmission Owner and NYISO, if no effective date is specified.

5.17 Taxes.

5.17.1 Developer Payments Not Taxable.

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

5.17.2 Representations and Covenants.

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

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

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability

Imposed Upon the Connecting Transmission Owner.

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

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

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

5.17.4 Tax Gross-Up Amount.

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

For this purpose, (i) Current Taxes shall be computed based on Connecting Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Connecting Transmission Owner will be treated as being subject to tax at the

highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Connecting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Connecting Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Developer's liability to Connecting Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: (Current Tax Rate x (Gross Income Amount - Present Value Depreciation Amount))/(1 - Current Tax Rate). Developer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law.

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

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

5.17.6 Subsequent Taxable Events.

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

5.17.7 Contests.

In the event any Governmental Authority determines that Connecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Connecting Transmission Owner shall notify Developer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Developer and at Developer's sole expense, Connecting Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon

Developer's written request and sole expense, Connecting Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Connecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Connecting Transmission Owner shall keep Developer informed, shall consider in good faith suggestions from Developer about the conduct of the contest, and shall reasonably permit Developer or an Developer representative to attend contest proceedings.

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

5.17.8 Refund.

In the event that (a) a private letter ruling is issued to Connecting Transmission Owner which holds that any amount paid or the value of any property transferred by Developer to Connecting Transmission Owner under the terms of this Agreement is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Connecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Developer to Connecting Transmission Owner under the terms of this Agreement is not taxable to Connecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Developer to Connecting Transmission Owner are not subject to federal income tax, or (d) if Connecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Developer to Connecting Transmission Owner pursuant to this Agreement, Connecting Transmission Owner shall promptly refund to Developer the following:

(i) Any payment made by Developer under this Article 5.17 for taxes that is

attributable to the amount determined to be non-taxable, together with interest thereon,

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

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

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

5.17.9 Taxes Other Than Income Taxes.

Upon the timely request by Developer, and at Developer's sole expense, Connecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Connecting Transmission Owner for which Developer may be required to reimburse Connecting Transmission Owner under the terms of this Agreement. Developer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Developer and Connecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Developer to Connecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Developer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Connecting Transmission Owner.

5.18 Tax Status; Non-Jurisdictional Entities.

5.18.1 Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of any Connecting Transmission Owner with respect to the

issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

5.18.2 Non-Jurisdictional Entities.

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

5.19 Modification.

5.19.1 General.

Either the Developer or Connecting Transmission Owner may undertake modifications to its facilities covered by this Agreement. If either the Developer or Connecting Transmission Owner plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party, and to NYISO, sufficient information regarding such modification so that the other Party and NYISO may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party and NYISO at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

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

5.19.2 Standards.

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

5.19.3 Modification Costs.

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

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications.

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

6.2 Post-Commercial Operation Date Testing and Modifications.

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

6.3 Right to Observe Testing.

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

6.4 Right to Inspect.

Developer and Connecting Transmission Owner shall each have the right, but shall have

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

ARTICLE 7. METERING

7.1 General.

Developer and Connecting Transmission Owner shall each comply with applicable requirements of NYISO and the New York Public Service Commission when exercising its rights and fulfilling its responsibilities under this Article 7. Unless otherwise agreed by the Connecting Transmission Owner and NYISO approved meter service provider and Developer, the Connecting Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Net power flows including MW and MVAR, MWHR and loss profile data to and from the Large Generating Facility shall be measured at the Point of Interconnection. Connecting Transmission Owner shall provide metering quantities, in analog and/or digital form, as required, to Developer or NYISO upon request. Where the Point of Interconnection for the Large Generating Facility is other than the generator terminal, the Developer shall also provide gross MW and MVAR quantities at the generator terminal. Developer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

7.2 Check Meters.

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

7.3 Standards.

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

7.4 Testing of Metering Equipment.

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

7.5 Metering Data.

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

ARTICLE 8. COMMUNICATIONS

8.1 Developer Obligations.

In accordance with applicable NYISO requirements, Developer shall maintain satisfactory operating communications with Connecting Transmission Owner and NYISO. Developer shall provide standard voice line, dedicated voice line and facsimile communications at its Large Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Developer shall also provide the dedicated data circuit(s) necessary to provide Developer data to Connecting Transmission Owner and NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the Large Generating Facility to the location(s)

specified by Connecting Transmission Owner and NYISO. Any required maintenance of such communications equipment shall be performed by Developer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

8.2 Remote Terminal Unit.

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

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

8.3 No Annexation.

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

ARTICLE 9. OPERATIONS

9.1 General.

Each Party shall comply with Applicable Laws and Regulations and Applicable Reliability Standards. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 NYISO and Connecting Transmission Owner Obligations.

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

respective operating protocols and procedures proposed by Developer.

9.3 Developer Obligations.

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

9.4 Start-Up and Synchronization.

Consistent with the mutually acceptable procedures of the Developer and Connecting Transmission Owner, the Developer is responsible for the proper synchronization of the Large Generating Facility to the New York State Transmission System in accordance with NYISO and Connecting Transmission Owner procedures and requirements.

9.5 Real and Reactive Power Control and Primary Frequency Response.

9.5.1 Power Factor Design Criteria.

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

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

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

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

9.5.2 Voltage Schedules.

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

9.5.3 Payment for Reactive Power.

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

9.5.4 Voltage Regulators.

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

9.5.5 Primary Frequency Response.

Developer shall ensure the primary frequency response capability of its Large Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term "functioning governor or equivalent controls" as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Large Generating Facility's

real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Developer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Applicable Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Large Generating Facility, and shall be linear in the range of frequencies between 59 and 61 Hz that are outside of the deadband parameter; or (2) based on an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Large Generating Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Large Generating Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. Developer shall notify NYISO that the primary frequency response capability of the Large Generating Facility has been tested and confirmed during commissioning. Once Developer has synchronized the Large Generating Facility with the New York State Transmission System, Developer shall operate the Large Generating Facility consistent with the provisions specified in Articles 9.5.5.1 and 9.5.5.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Large Generating Facilities.

9.5.5.1 Governor or Equivalent Controls.

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

9.5.5.2 Timely and Sustained Response.

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

9.5.5.3 Exemptions.

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

9.5.5.4 Electric Storage Resources.

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

Developer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Article 9.5.5.2 of this Agreement when it is online and dispatched to inject electricity to the New York State Transmission System and/or receive

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

9.6 Outages and Interruptions.

9.6.1 Outages.

9.6.1.1 Outage Authority and Coordination.

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

9.6.1.2 Outage Schedules.

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

9.6.1.3 Outage Restoration.

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

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

9.6.2.1 The interruption or reduction shall continue only for so long as reasonably ne**c**essary under Good Utility Practice;

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

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

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

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

9.6.3 Ride Through Capability and Performance

The New York State Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Councils in the event of an under-frequency system disturbance. Developer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the Applicable Reliability Councils to ensure frequency "ride through" capability of the New York State Transmission System. Large Generating Facility response to frequency deviations of predetermined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the NYISO and Connecting Transmission Owner in accordance with Good Utility Practice. Developer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Applicable Reliability Councils to ensure voltage "ride through" capability of the New York State Transmission System. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the New York State Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Generating Facilities in the Balancing Authority Area on a comparable basis unless the Transmission Owner in whose Transmission District the Large Generating Facility interconnects has established different requirements that apply on a comparable basis in accordance with Good Utility Practice. For abnormal frequency conditions and voltage conditions within the "no trip zone" as that term is defined by ERO Reliability Standard PRC-024-3, any successor mandatory ride through ERO reliability standards, or any more stringent NPCC or NYSRC requirements applicable to Generating Facilities in the Balancing Authority Area on a comparable basis, the non-synchronous Generating Facility must ensure that, within any physical limitations of the Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

9.6.4 System Protection and Other Control Requirements.

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

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

9.6.4.3 The Developer and Connecting Transmission Owner shall each be responsible for protection of its respective facilities consistent with Good Utility Practice and Applicable Reliability Standards.

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

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

9.6.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, the Developer and Connecting Transmission Owner shall each perform, or their agents shall perform, a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, the Developer and Connecting Transmission Owner shall each perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

9.6.5 Requirements for Protection.

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

9.6.6 Power Quality.

Neither the facilities of Developer nor the facilities of Connecting Transmission Owner shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage

or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.7 Switching and Tagging Rules.

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

9.8 Use of Attachment Facilities by Third Parties.

9.8.1 Purpose of Attachment Facilities.

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

9.8.2 Third Party Users.

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

9.9 Disturbance Analysis Data Exchange.

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

9.10 Phasor Measurement Units

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

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

Developer shall be required to install and maintain, at its expense, PMU equipment which includes the communication circuit capable of carrying the PMU data to a local data concentrator, and then transporting the information continuously to the Connecting Transmission Owner and the NYISO; as well as store the PMU data locally for thirty (30) Calendar Days. Developer shall provide to Connecting Transmission Owner and the NYISO all necessary and requested information through the Connecting Transmission Owner's and the NYISO's synchrophasor system, including the following: (a) gross MW and MVAR measured at the Developer side of the generator step-up transformer (or, for a non-synchronous generation facility, to be measured at the Developer side of the Point of Interconnection); (b) generator terminal voltage and current magnitudes and angles; (c) generator terminal frequency and frequency rate of change; and
(d) generator field voltage and current, where available; and (e) breaker status, if available. The Connecting Transmission Owner will provide for the ongoing support and maintenance of the network communications linking the data concentrator to the Connecting Transmission Owner and the NYISO, consistent with ISO Procedures detailing the obligations related to SCADA data.

ARTICLE 10. MAINTENANCE

10.1 Connecting Transmission Owner Obligations.

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

10.2 Developer Obligations.

Developer shall maintain its Large Generating Facility and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

10.3 Coordination.

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

10.4 Secondary Systems.

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

10.5 Operating and Maintenance Expenses.

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

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Developer's Attachment Facilities.

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

11.2 Connecting Transmission Owner's Attachment Facilities.

Connecting Transmission Owner shall design, procure, construct, install, own and/or control the Connecting Transmission Owner's Attachment Facilities described in Appendix A hereto, at the sole expense of the Developer.

11.3 System Upgrade Facilities and System Deliverability Upgrades.

Connecting Transmission Owner shall design, procure, construct, install, and own the System Upgrade Facilities and System Deliverability Upgrades described in Appendix A hereto. The responsibility of the Developer for costs related to System Upgrade Facilities and System Deliverability Upgrades shall be determined in accordance with the provisions of Attachment S to the ISO OATT.

11.4 Special Provisions for Affected Systems.

For the re-payment of amounts advanced to Affected System Operator for System Upgrade Facilities or System Deliverability Upgrades, the Developer and Affected System Operator shall enter into an agreement that provides for such re-payment, but only if responsibility for the cost of such System Upgrade Facilities or System Deliverability Upgrades is not to be allocated in accordance with Attachment S to the ISO OATT. The agreement shall specify the terms governing payments to be made by the Developer to the Affected System Operator as well as the re-payment by the Affected System Operator.

11.5 Provision of Security.

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

In addition:

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

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

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

11.5.4 Attachment S to the ISO OATT shall govern the Security that Developer provides for System Upgrade Facilities and System Deliverability Upgrades.

11.6 Developer Compensation for Emergency Services.

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

11.7 Line Outage Costs.

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

ARTICLE 12. INVOICE

12.1 General.

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

12.2 Final Invoice.

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

12.3 Payment.

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

12.4 Disputes.

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

ARTICLE 13. EMERGENCIES

13.1 Obligations.

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

13.2 Notice.

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

13.3 Immediate Action.

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

13.4 NYISO and Connecting Transmission Owner Authority.

13.4.1 General.

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

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

13.4.2 Reduction and Disconnection.

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

13.5 Developer Authority.

Consistent with Good Utility Practice and this Agreement, the Developer may take whatever actions or inactions with regard to the Large Generating Facility or the Developer's

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

13.6 Limited Liability.

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

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements.

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

14.2 Governing Law.

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

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

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

ARTICLE 15. NOTICES

15.1 General.

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

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

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

15.2 Billings and Payments.

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

15.3 Alternative Forms of Notice.

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

15.4 Operations and Maintenance Notice.

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

ARTICLE 16. FORCE MAJEURE

16.1 Economic hardship is not considered a Force Majeure event.

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

ARTICLE 17. DEFAULT

17.1 General.

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

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

17.2 Right to Terminate.

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

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity.

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

18.1.1 Indemnified Party.

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

18.1.2 Indemnifying Party.

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

18.1.3 Indemnity Procedures.

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

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

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

18.2 No Consequential Damages.

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

18.3 Insurance.

Developer and Connecting Transmission Owner shall each, at its own expense, procure

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

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

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

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

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

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

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

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile

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

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

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

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

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

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

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

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

ARTICLE 19. ASSIGNMENT

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

ARTICLE 20. SEVERABILITY

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

ARTICLE 21. COMPARABILITY

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

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality.

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

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

22.2 Term.

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

22.3 Confidential Information.

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

22.4 Scope.

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

22.5 Release of Confidential Information.

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Developer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

22.6 Rights.

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

22.7 No Warranties.

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

22.8 Standard of Care.

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

22.9 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.10 Termination of Agreement.

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

22.11 Remedies.

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

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

Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement or the ISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

22.13 Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the ISO OATT or the NYISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. DEVELOPER AND CONNECTING TRANSMISSION OWNER NOTICES OF ENVIRONMENTAL RELEASES

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

ARTICLE 24. INFORMATION REQUIREMENT

24.1 Information Acquisition.

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

24.2 Information Submission by Connecting Transmission Owner.

The initial information submission by Connecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include New York State Transmission System information necessary to allow the Developer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Developer and Connecting Transmission Owner. On a monthly basis Connecting Transmission Owner shall provide Developer and NYISO a status report on the construction and installation of Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last

report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Developer.

The updated information submission by the Developer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Developer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures. It shall also include any additional information provided to Connecting Transmission Owner for the Interconnection Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the Developer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

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

24.4 Information Supplementation.

Prior to the Commercial Operation Date, the Developer and Connecting Transmission Owner shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Developer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Developer shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror

the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to the Connecting Transmission Owner and NYISO for each individual generating unit in a station.

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

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

25.1 Information Access.

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

25.2 Reporting of Non-Force Majeure Events.

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

25.3 Audit Rights.

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

obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4 of this Agreement.

25.4 Audit Rights Periods.

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

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

25.4.2 Audit Rights Period for All Other Accounts and Records.

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

25.5 Audit Results.

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

ARTICLE 26. SUBCONTRACTORS

26.1 General.

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

26.2 Responsibility of Principal.

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

26.3 No Limitation by Insurance.

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

ARTICLE 27. DISPUTES

27.1 Submission.

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

27.2 External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

27.3 Arbitration Decisions.

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

Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

27.4 Costs.

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

27.5 Termination.

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

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

28.1 General.

Each Party makes the following representations, warranties and covenants:

28.1.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades owned by such Party, as applicable, are located; and that it has the corporate 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.

28.1.2 Authority.

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

28.1.3 No Conflict.

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

28.1.4 Consent and Approval.

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

ARTICLE 29. MISCELLANEOUS

29.1 Binding Effect.

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

29.2 Conflicts.

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

29.3 Rules of Interpretation.

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

29.4 Compliance.

Each Party shall perform its obligations under this Agreement in accordance with

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

29.5 Joint and Several Obligations.

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

29.6 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement 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.

29.7 No Third Party Beneficiaries.

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

29.8 Waiver.

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

29.9 Headings.

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

29.10 Multiple Counterparts.

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

29.11 Amendment.

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

29.12 Modification by the Parties.

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

29.13 Reservation of Rights.

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

29.14 No Partnership.

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

29.15 Other Transmission Rights.

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

29.16 Modifications Related to NYISO's Compliance with Order No. 2023

If, as part of the NYISO's compliance proceeding at the Commission in response to Order No. 2023, the Commission directs that the NYISO modify the *pro forma* Standard Large Generator Interconnection Agreement located in Appendix 4 of Attachment X of the ISO OATT, the Parties shall amend and restate this Agreement to incorporate the modifications; *provided, however,* the Parties may agree to include in the amended and restated agreement non-conforming changes to any terms of the *pro forma* Standard Large Generator Interconnection Agreement that have been modified to comply with the Commission's order, which non-conforming modifications must be filed with the Commission for its acceptance.

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

New York Independent System Operator, Inc.

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Connecting Transmission Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Developer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Attachment Facilities and System Upgrade Facilities

Appendix B

Milestones

Appendix C

Interconnection Details

Appendix D

Security Arrangements Details

Appendix E-1

Initial Synchronization Date

Appendix E-2

Commercial Operation Date

Appendix F

Addresses for Delivery of Notices and Billings

APPENDIX A – ATTACHMENT FACILITIES AND SYSTEM UPGRADE FACILITIES

1. Attachment Facilities:

(a) [insert Developer's Attachment Facilities]:

(b) [insert Connecting Transmission Owner's Attachment Facilities]:

2. System Upgrade Facilities:

(a) [insert Stand Alone System Upgrade Facilities]:

(b) [insert Other System Upgrade Facilities]:

3. System Deliverability Upgrades:

APPENDIX B – MILESTONES

APPENDIX C – INTERCONNECTION DETAILS

APPENDIX D – SECURITY ARRANGEMENTS DETAILS

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

APPENDIX E-1 – INITIAL SYNCHRONIZATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Large Generating Facility

Dear _____:

On **[Date] [Developer]** initially synchronized the Large Generating Facility [specify units, if applicable]. This letter confirms that [Developer]'s Initial Synchronization Date was [specify].

Thank you.

[Signature]

[Developer Representative]

APPENDIX E-2 – COMMERCIAL OPERATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Large Generating Facility

Dear _____:

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

Thank you.

[Signature]

[Developer Representative]

APPENDIX F – ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Developer:

[To be supplied.]

Billings and Payments:

Connecting Transmission Owner:

[To be supplied.]

Developer:

[To be supplied.]

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

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Developer:

[To be supplied.]

Appendix 5 – Interconnection Procedures for a Wind Generating Plant

Appendix 5 sets forth procedures specific to a wind generating plant. All other requirements of this LFIP continue to apply to wind generating plant interconnections.

A. Special Procedures Applicable to Wind Generators

The wind plant Developer, in completing the Interconnection Request required by section 30.3.3 of this LFIP, may provide to the ISO a set of preliminary electrical design specifications depicting the wind plant as a single equivalent generator. Upon satisfying these and other applicable Interconnection Request conditions, the wind plant may enter the queue and receive the base case data as provided for in this LFIP. No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Developer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow the ISO to complete the System Reliability Impact Study.

40 Attachment HH – Standard Interconnection Procedures

40.1 Definitions

Whenever used in these Standard Interconnection Procedures with initial capitalization, the following terms shall have the meanings specified in this Section 40.1. Terms used in these procedures with initial capitalization that are not defined in this Section 40.1 shall have the meanings specified in Section 1 of the ISO OATT, Section 22.1 of Attachment P to the ISO OATT, Section 25.1.2 of Attachment S of the ISO OATT, Section 30.1 of Attachment Z to the ISO OATT, Appendix 1 to Attachment Z to the ISO OATT, or in Article 2 of the ISO Services Tariff.

10 kW Inverter Process shall mean the procedure for evaluating an Interconnection Request for a certified inverter-based Generating Facility no larger than 10 kW that uses the Section 40.23 screens. The application process uses an all-in-one document that includes a simplified Interconnection Request, simplified procedures, and a brief set of terms and conditions as set forth in Appendix 12.

Acceptance Notice shall mean the notice by which an Interconnection Customer communicates to the ISO its decision to accept a Project Cost Allocation or Revised Project Cost Allocation.

Additional SDU Study shall mean a study that an Interconnection Customer may elect to pursue if the Class Year Deliverability Study or Cluster Study Deliverability Study identifies the need for a new System Deliverability Upgrade (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study or Cluster Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a prior Class Year Study or Cluster Study) that requires additional study.

Additional SDU Study Decision Period shall mean the period of time following the Additional SDU Study during which an Interconnection Customer must elect whether to accept the Project Cost Allocation and pay cash or post Security for the System Deliverability Upgrades identified for its Project in accordance with the requirements in Section 40.15.

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

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

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

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

Affected System Queue Position shall mean the Queue Position of an Affected System Interconnection Customer in the ISO's Queue in accordance with Section 40.8.3.3 of this Attachment HH.

Affected System Study shall mean the ISO's evaluation of the impacts on the New York State Transmission System of Affected System Interconnection Customers' proposed interconnection(s) to another region's transmission system and the ISO's identification of any required Affected System Network Upgrades, as described in Section 40.8.3 to this Attachment HH.

Affected System Study Agreement shall mean the agreement contained in Appendix 6 to this Attachment HH that is made between the ISO and Affected System Interconnection Customer to conduct an Affected System Study pursuant to Section 40.8.3 to this Attachment HH.

Affected System Study Report shall mean the report issued by the ISO following completion of an Affected System Study pursuant to Section 40.8.3.7 to this Attachment HH.

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

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

Applicable Reliability Councils shall mean the Electric Reliability Organization, the NPCC, and the NYSRC.

Applicable Reliability Requirements shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section 40.12.1.2 of this Attachment HH; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

Application Fee shall mean the non-refundable fee an Interconnection Customer must submit with its Interconnection Request or CRIS-Only Request pursuant to Section 40.5.5.1.3 to this Attachment HH.

Application Window shall mean the time period set forth in Section 40.5.3 to this Attachment HH.

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

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

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

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Cluster Study by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator, or Interconnection Customer; described in Section 40.2.6 of this Attachment HH.

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

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities in Zone J and Zone K are Byways.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday. If a deadline that is established in Calendar Days in this Attachment HH does not end on a Business Day, the deadline will be extended to the next Business Day.

Capacity Region shall mean one of four subsets of the Installed Capacity statewide markets comprised of: (1) Rest of State (*i.e.*, Load Zones A through F); (2) Lower Hudson Valley (*i.e.*, Load Zones G, H and I); (3) New York City (*i.e.*, Load Zone J); and (4) Long Island (*i.e.*, Load Zone K).

Capacity Resource Interconnection Service ("CRIS") shall mean the service provided by the ISO to Interconnection Customers that satisfy the NYISO Deliverability Interconnection Standard or that are otherwise eligible to receive CRIS in accordance with the requirements in

this Attachment HH; such service being one of the eligibility requirements for participation as an ISO Installed Capacity Supplier.

Class Year shall mean the group of Projects included in any particular Class Year Study (Annual Transmission Reliability Assessment and/or Class Year Deliverability Study), in accordance with the criteria specified in Attachments S, X, and Z. Class Year 2023 shall be the final Class Year that is subject to a Class Year Study.

Class Year Interconnection Facilities Study ("Class Year Study") shall mean the last of the successive interconnection studies conducted in the ISO's Standard Large Facility Interconnection Procedures for proposed interconnections of Small Generating Facilities (if applicable), Large Generating Facilities, and Class Year Transmission Projects with the New York State Transmission System or with the Distribution System in accordance with the requirements in in Attachments S, X, and Z to the ISO OATT. The Class Year Study for Class Year 2023 shall be the final Class Year Study conducted by the ISO.

Cluster shall mean a group of one or more Projects with validated Interconnection Requests and CRIS-Only Requests that are studied together for the purpose of conducting a Cluster Study**.**

Cluster Baseline Assessment ("CBA") shall mean an assessment, conducted by the ISO in cooperation with Market Participants, to identify the System Upgrade Facilities and Distribution Upgrades that Transmission Owners are expected to need during the time period covered by the assessment to comply with Applicable Reliability Requirements and to reliably meet the load growth and changes in load pattern projected for the New York Control Area. For purposes of applying the requirements in this Attachment HH, the term Cluster Baseline Assessment include the Annual Transmission Baseline Assessment when the term refers to the assessment performed for a Class Year Study.

Cluster Project Assessment ("CPA") shall mean an assessment, conducted by the ISO in cooperation with Market Participants, to determine the System Upgrade Facilities and Distribution Upgrades required for each Project included in this assessment to interconnect to the New York State Transmission System or Distribution System in compliance with Applicable Reliability Requirements and the NYISO Minimum Interconnection Standard. For purposes of applying the requirements in this Attachment HH, the term Cluster Project Assessment includes the Annual Transmission Reliability Assessment when the term refers to the assessment performed for a Class Year Study.

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

Cluster Study Agreement shall mean the form of agreement contained in Appendix 3 to this

Attachment HH for conducting the Cluster Study.

Cluster Study CRIS Project shall mean a Cluster Study Project with an executed Cluster Study Agreement entering a Cluster Study for a CRIS evaluation, that thereby becomes one of the group of Cluster Study Projects included in the Cluster Study Deliverability Study. A Cluster Study CRIS Project may be a CRIS-Only Cluster Study Project that is entering a Cluster Study only for a CRIS evaluation, or it may be a Project seeking both ERIS and CRIS.

Cluster Study Deliverability Study shall mean an assessment, conducted by the ISO in cooperation with Market Participants, to determine whether System Deliverability Upgrades are required for Cluster Study CRIS Projects under the NYISO Deliverability Interconnection Standard.

Cluster Study Project shall mean a project with a validated Interconnection Request or CRIS-Only Request that thereby becomes one of the group of Projects included in the particular Cluster for that Cluster Study Process.

Cluster Study Project List shall mean the list of Cluster Study Projects with validated Interconnection Requests or CRIS-Only Requests that the ISO posts during the Customer Engagement Window in accordance with the requirements in Section 40.7.2.

Cluster Study Process shall mean the following processes, conducted in sequence: the Application Window; the Customer Engagement Window (including the Physical Infeasibility Screening and Scoping Meetings therein); the Phase 1 Study; the Phase 2 Study; and, if applicable, the Additional SDU Study.

Cluster Study Process Start Date shall mean the date upon which the ISO will open the Application Window for a given Cluster Study Process, which date shall be determined pursuant to Section 40.5.1 of this Attachment HH.

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

applicable to a Cluster Study Transmission Project in this Attachment HH, except as otherwise indicated in this Attachment HH.

Cluster Study Report shall mean the report issued following completion of the Phase 2 Study pursuant to Section 40.11.7 to this Attachment HH.

Clustering shall mean the process whereby the impact to the New York State Transmission System of a group of Affected System Interconnection Customers which projects are interconnecting to another region are studied together, instead of serially, for the purpose of conducting the Affected System Study.

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

Commercial Operation Date of a Facility shall mean the date on which the Facility commences Commercial Operation, notice of which must be provided by the Interconnection Customer to the ISO and Connecting Transmission Owner in the form provided in Appendix E-2 to the Standard Interconnection Agreement.

Commercial Operation Incentive Payment Amount shall mean the amount a Payment Eligible Project is eligible to receive from the Withdrawal Penalty Fund collected for a particular Cluster Study Process if it enters Commercial Operation pursuant to Section 40.6.5.2.5.

Confidential Information shall mean any information that is defined as confidential by Section 40.24.1 to this Attachment HH..

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to the Standard Interconnection Agreement.

Connecting Transmission Owner's Attachment Facilities shall mean all facilities and equipment owned, controlled or operated by the Connecting Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Connecting Transmission Owner's Attachment Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone System Upgrade Facilities, or System Upgrade Facilities. For purposes of applying the requirements in this Attachment HH, Connecting Transmission Owner's Attachment Facilities shall include facilities that were categorized as Connecting Transmission Owner's Interconnection Facilities under the ISO's Small Generator Interconnection Procedures and facilities that were categorized as Connecting Transmission Owner's Attachment Facilities under the ISO's Standard Large Generator Interconnection Procedures.

Contingent Facilities shall mean those Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades associated with Cluster Study Projects upon which the Facility's Cluster Study Project Cost Allocations are dependent, and if delayed or not built, could impact the actual costs and timing of the Facility's Project Cost Allocation for System Upgrade Facilities or System Deliverability Upgrades.

Contingent Project shall mean an Interconnection Request or CRIS-Only Request that an Interconnection Customer submits during the Application Window of the Cluster Study Process pursuant to Section 40.5.4.1 for a Project that is simultaneously participating in the prior, ongoing Class Year Study, Cluster Study Process, Additional SDU Study, or Small Generator facilities study.

Contribution Percentage shall mean the ratio of a Project's measured impact or pro rata contribution to a System Upgrade Facility, Distribution Upgrade, or System Deliverability Upgrades, as applicable, identified in the Cluster Project Assessment, to the sum of the measured impacts or pro rata contributions of all the Projects in the same Cluster Study that have at least a de minimus impact or contribution to the System Upgrade Facility or Distribution Upgrade.

Cost Estimate Update shall have the meaning set forth in Section 40.6.3.5.3.2.

CRIS-Only Cluster Study Project shall mean a project that is participating in a Cluster Study Process solely to obtain CRIS or an increase in CRIS. For purposes of applying the requirements in this Attachment HH, the term CRIS-Only Cluster Study Project when used in connection with the Class Year Interconnection Facilities Study requirements in Attachment X and S of the OATT shall mean a Class Year Project that participated in a Class Year solely to request CRIS or an increase in CRIS.

CRIS-Only Request shall mean Interconnection Customer's request, in the form of Appendix 2 to this Attachment HH, to solely obtain CRIS or an increase in CRIS. For purposes of applying the requirements in this Attachment HH, the term CRIS-Only Request when used in connection with the Class Year Interconnection Facilities Study requirements in Attachment X and S of the OATT shall mean a Class Year Project's request to participate in a Class Year solely to request CRIS or an increase in CRIS.

CTOAF and SUF Project Cost Allocation shall have the meaning set forth in Section 40.15.1 to this Attachment HH.

Customer Engagement Window shall mean the time period set forth in Section 40.7.1 of this Attachment HH.

Deliverable MW shall have the meaning set forth in Section 40.15.1 to this Attachment HH.

Dispute Resolution shall mean the procedure described in Section 40.24.5 to this Attachment HH for resolution of a dispute between the Parties.

Distribution System shall mean the Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the ISO's Standard

Interconnection Procedures in this Attachment HH under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

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

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

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

Energy Duration Limitation shall have the meaning set forth in Section 5.12.14 of the ISO Services Tariff.

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

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

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

ERO Planning Standards shall mean the transmission system planning standards of the Electric Reliability Organization.

Existing System Representation shall mean the representation of the New York State Power System developed as specified in Section 40.10.3 of this Attachment HH.

Expedited Deliverability Study shall mean a study conducted by the ISO or a third party consultant to determine the extent to which an existing or proposed facility satisfies the NYISO Deliverability Interconnection Standard at its requested CRIS level without the need for System Deliverability Upgrades. The schedule and scope of the study is defined in Sections 40.19.1 and 40.13.1.2 of this Attachment HH.

Expedited Deliverability Study Agreement shall mean the agreement contained in Appendix 8 to this Attachment HH to conduct an Expedited Deliverability Study pursuant to Section 40.19.3 of this Attachment HH.

External Affected System shall mean an electric system outside of the New York Control Area that may be affected by the proposed interconnection.

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

External CRIS Rights shall mean a determination of deliverability within the Rest of State Capacity Region (*i.e.,* Load Zones A-F), awarded by the ISO for a term of five (5) years or longer, to a specified number of Megawatts of External Installed Capacity that satisfy the requirements set forth in Section 40.13.11 to Attachment HH, and that can be certified in a Bilateral Transaction used for the NYCA and not a Locality, or sold into the NYCA for an Installed Capacity auction and not in an Installed Capacity auction for a Locality.

External-to-ROS Deliverability Rights shall have the meaning set forth in Section 2.5 of the ISO Services Tariff.

Facility shall mean either a Generating Facility or a Cluster Study Transmission Project.

Facility Modification Request shall mean an Interconnection Customer's request to modify its Facility in the form of Appendix 5 to this Attachment HH.

Fast Track Process shall mean the procedure for evaluating an Interconnection Request for a certified Generating Facility that meets the eligibility requirements of Section 40.23.1 of the Attachment HH and includes the Section 40.23 screens, customer options meeting, and optional supplemental review.

Fast Track Request shall mean a request in the form of Appendix 13 to this Attachment HH to enter the Fast Track Process set forth in Section 40.23 to this Attachment HH.

Final Decision Period shall mean the period of time following the conclusion of the Phase 2 Study during which an Interconnection Customer must elect whether to accept its Project Cost Allocation and provide the related cash or post Security for, as applicable, the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades identified for its Project in accordance with the requirements in Section 40.15.

Final Decision Round shall mean the final round of ISO-communicated cost estimates and Interconnection Customer responses in, as applicable, the Final Decision Period or Additional SDU Study Decision Period, in which all remaining eligible Interconnection Customers issue an Acceptance Notice and provide cash or post Security.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or

equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

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

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

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

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

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

Headroom shall mean the functional or electrical capacity of the System Upgrade Facility or the electrical capacity of the System Deliverability Upgrade that is in excess of the functional or electrical capacity actually used by the Interconnection Customer's Project.

Headroom Security shall have the meaning set forth in Section 40.17.1.5 to this Attachment HH.

Heatmap shall mean the ISO's publicly posted interactive visual representation of estimated incremental injection capacity available at each point of interconnection and related table of metrics in accordance with the requirements in Section 40.4.1.

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

Initial Decision Round shall mean the 30 calendar day period of, as applicable, the Final Decision Period or Additional SDU Study Decision Period within which an Interconnection Customer must provide an Acceptance Notice or Non-Acceptance Notice to the ISO in response to the first Project Cost Allocation issued by the ISO to the Interconnection Customer.

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

Interconnection Customer shall mean any entity, including the Connecting Transmission Owner or any of its affiliates or subsidiaries, that submits an Interconnection Request or CRIS-Only Request that is subject to the application of the Standard Interconnection Procedures as set forth in Section 40.2.3 of this Attachment HH or elects to enter an Expedited Deliverability Study. For purposes of applying the requirements in this Attachment HH, an Interconnection Customer shall include an entity that was categorized as a Developer under the ISO's Standard Large Facility Interconnection Procedures or as an Interconnection Customer under the ISO's Small Generator Interconnection Procedures.

Interconnection Customer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of the Interconnection Agreement, that are located between the Generating Facility or Cluster Study Transmission Project 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 or Cluster Study Transmission Project to the New York State Transmission System or Distribution System. Interconnection Customer's Attachment Facilities are sole use facilities. For purposes of

applying the requirements in this Attachment HH, Interconnection Customer's Attachment Facilities shall include facilities that were categorized as Developer's Attachment Facilities under the ISO's Standard Large Facility Interconnection Procedures or Interconnection Customer's Interconnection Facilities under the ISO's Small Generator Interconnection Procedures.

Interconnection Request shall mean Interconnection Customer's request, in the form of Appendix 1 to this Attachment HH, to interconnect a new Generating Facility or Cluster Study Transmission Project to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer. An Interconnection Request submitted pursuant to the ISO's Standard Large Facility Interconnection Procedures in Attachment X to the ISO OATT or the ISO's Small Generator Interconnection Procedures in Attachment Z to the ISO OATT shall be subject to the transition requirements set forth in Section 40.3.1 to this Attachment HH.

IRS shall mean the Internal Revenue Service.

Local System Upgrade Facilities shall mean the System Upgrade Facilities necessary to physically interconnect a proposed Project to the Connecting Transmission Owner's transmission system, consistent with applicable interconnection and system protection design standards. Local System Upgrade Facilities include any electrical facilities required to make the physical connection (*e.g.*, a new ring bus for a line connection or facilities required to create a new bay for a substation connection). Local System Upgrade Facilities also include any system protection or communication facilities that may be required for protection of the Connecting Transmission Owner's and/or Affected Transmission Owner's transmission facility (line or substation) involved in the interconnection. Local System Upgrade Facilities do not include System Upgrade Facilities required to mitigate any adverse reliability impact(s) of the Project(s) identified through analysis such as power flow, short circuit, or stability (*e.g.*, replacement of a circuit breaker at a nearby substation that becomes overdutied as a result of the Project(s)).

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

Merchant Transmission Facility shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which the costs of construction will be recovered through negotiated rates instead of cost-based rates and not subject to the competitive evaluation and selection process for purposes of cost allocation under Attachment Y to the ISO OATT. Merchant Transmission Facilities shall not include Attachment Facilities, Distribution Upgrades, Network Upgrade Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

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

Minor Modification shall mean, for purposes of the Fast Track Process requirements, modifications that will not have a material adverse impact on the cost or timing of any Interconnection Request.

Multiparty Affected System Study Agreement shall mean the agreement contained in Appendix 7 to this Attachment HH that is made among the ISO and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 40.8.3 of this Attachment HH.

Non-Acceptance Event shall have the meaning set forth in Section 40.15.2.9 of this Attachment HH.

Non-Acceptance Notice shall mean the notice by which an Interconnection Customer communicates to the ISO its decision not to accept a Project Cost Allocation or Revised Project Cost Allocation.

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

Notice of SDUs Requiring Additional Study shall have the meaning set forth in Section 40.14.1 of this Attachment HH.

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

NPCC Basic Design and Operating Criteria shall mean the transmission system design and operating criteria of the Northeast Power Coordinating Council.

NYISO Deliverability Interconnection Standard shall mean the standard that must be met, unless otherwise provided in this Attachment HH, by (i) any generation facility larger than 2MW in order for that facility to obtain CRIS; (ii) any Cluster Study Transmission Project; (iii) any entity requesting External CRIS Rights, and (iv) any entity requesting a CRIS transfer pursuant to Section 40.18.4 to Attachment HH. To meet the NYISO Deliverability Interconnection Standard, the Interconnection Customer must, in accordance with the rules in this Attachment HH, pay cash or post Security for any System Deliverability Upgrades identified for its Project in the Cluster Study Deliverability Study.

NYISO Load and Capacity Data Report shall mean the annual ISO survey of power demand and supply in New York State, published pursuant to Section 6-106 of the Energy Law of New York State.

NYISO Minimum Interconnection Standard shall mean the reliability standard that must be met by any Generating Facility or Cluster Study Transmission Project that is subject to the Standard Interconnection Procedures that is proposing to connect to the New York State Transmission System or to the Distribution System to obtain ERIS. The standard is designed to ensure reliable access by the proposed Project to the New York State Transmission System or to the Distribution System, as applicable. The standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

NYSRC Reliability Rules shall mean the reliability rules of the New York State Reliability Council.

Other Interfaces shall mean the following interfaces into Capacity Regions: Lower Hudson Valley *i.e.,* Rest of State (Load Zones A-F) to Lower Hudson Valley (Load Zones G, H and I); New York City *i.e.,* Lower Hudson Valley (Load Zones G, H and I) to New York City (Load Zone J); and Long Island *i.e.,* Lower Hudson Valley (Load Zones G, H and I) to Long Island (Load Zone K), and the following Interfaces between the NYCA and adjacent Control Areas: PJM to NYISO, ISO-NE to NYISO, Hydro-Quebec to NYISO, and Norwalk Harbor (Connecticut) to Northport (Long Island) Cable.

Overage Cost shall mean the dollar amount by which the total cost of, as applicable, System Upgrade Facilities, Distribution Upgrades, and/or System Deliverability Upgrades identified in the Cluster Project Assessment exceeds the total cost of System Upgrade Facilities considered in the Cluster Baseline Assessment for the same Cluster for a given Cluster Study.

Overage Cost Percentage shall mean the ratio of the Overage Cost to the total cost of System Upgrade Facilities, Distribution Upgrades, or System Deliverability Upgrades, as applicable, identified in the Cluster Project Assessment.

Party or Parties shall mean, as applicable, the ISO, Interconnection Customer, Affected System Interconnection Customer, Connecting Transmission Owner, Affected System Operator, Affected Transmission Owner, or any combination of the above.

Payment Eligible Project shall mean a Cluster Study Project eligible to recover certain study costs from the Withdrawal Penalty Funds collected by the ISO for that Cluster Study Process as defined in Section 40.6.5.2.2.

Pending Project shall have the meaning set forth in Section 40.5.4.1.1 to this Attachment HH.

Permissible Technological Advancement shall mean advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request, provided that such advancements result in electrical performance that is equal or better than the electrical performance prior to the technological change and do not (i) increase the capability of the Facility by more than two (2) megawatts, (ii) change the generation technology or fuel type of the Facility, (iii) have a material adverse impact on the New York State Transmission System or Distribution System, and (iv) degrade the electrical characteristics of the generating equipment proposed in the Interconnection Request (*e.g.*, the ratings, impedances, efficiencies, capabilities, and performance of the equipment under steady state and dynamic conditions).

Phase 1 Cost Estimates Summary Report shall mean the ISO report that summarizes the cost estimates identified in the Phase 1 Studies performed by the Connecting Transmission Owners and Affected Transmission Owners.

Phase 1 Entry Decision Period shall mean the period of time following the conclusion of the Customer Engagement Window during which an Interconnection Customer must satisfy the requirements for its Cluster Study Project to enter the Phase 1 Study or be withdrawn. The Phase 1 Entry Decision Period requirements are set forth in Section 40.7.5 to this Attachment HH.

Phase 1 Study shall mean the first part of the Cluster Study as set forth in Section 40.10 in which the Connecting Transmission Owners and Affected Transmission Owners will perform design and engineering studies to identify the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities required to reliably interconnect the Cluster Study Project with the New York State Transmission System or Distribution System in accordance with Applicable Reliability Requirements and to provide cost estimates for and a preliminary schedule to construct the facilities.

Phase 1 Study Start Date shall mean the start date for the Phase 1 Study process as set forth in Section 40.10.1.

Phase 2 Entry Decision Period shall mean the period of time following the conclusion of the Phase 1 Study during which an Interconnection Customer must satisfy the requirements for its Cluster Study Project to enter the Phase 2 Study or be withdrawn. The Phase 2 Entry Decision Period requirements are set forth in Section 40.10.8 to this Attachment HH.

Phase 2 Study shall mean the second part of the Cluster Study as set forth in Sections 40.11, 40.12, and 40.13 in which the ISO will identify the System Upgrade Facilities and Distribution Upgrades required for the reliable interconnection of Cluster Study Projects to the New York State Transmission System or to the Distribution System in compliance with the NYISO Minimum Interconnection Standard and, for Cluster Study Projects requesting CRIS, will assess their requested CRIS in compliance with the NYISO Deliverability Interconnection Standard and identify any required System Deliverability Upgrades. The Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator will determine the cost estimates for and a preliminary schedule to construct the facilities, along with updating, as needed, the identification of and cost estimates of the facilities identified in the Phase 1 Study.

Phase 2 Study Start Date shall mean the start date for the Phase 2 Study process as set forth in Section 40.11.1.

Physical Infeasibility shall have the meaning set forth in Section 40.7.3.2 to this Attachment HH.

Physical Infeasibility Screening shall mean the assessment performed by the applicable Transmission Owner during the Customer Engagement Window of whether the proposed interconnection of a Cluster Study Project is Physically Infeasible. The Physical Infeasibility Screening requirements are set forth in Section 40.7.3 to this Attachment HH.

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

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

Pre-Application Report shall mean the report issued following an Interconnection Customer's completion of the Pre-Application Request Form pursuant to Section 40.4.2 of this Attachment HH.

Pre-Application Request Form shall mean a request in the form of Appendix 4 to this Attachment HH for a Pre-Application Report.

Project shall mean the proposed facility as described in a single Interconnection Request or CRIS-Only Request, to the extent permitted by this Attachment HH. For facilities not subject to the ISO's Standard Interconnection Procedures in Attachment HH to the ISO OATT, the Project refers to the facility as described in a single Cluster Study Agreement or Expedited Deliverability Study Agreement, to the extent permitted by this Attachment HH.

Project Cost Allocation shall mean the dollar figure estimate for an Interconnection Customer's share of the cost of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities required for the reliable interconnection of its Project to the New York State Transmission System or to the Distribution System and/or the share of the cost of the System Deliverability Upgrades required for the Interconnection Customer's Project to meet the NYISO Deliverability Interconnection Standard.

Proportional Impact Method shall mean the technical analysis conducted by the ISO to determine the degree to which each Facility in the Cluster Study contributes to the need for a specific System Upgrade Facility, Distribution Upgrade, or System Deliverability Upgrade as set forth in Section 40.12.2 to this Attachment HH.

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

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

Queue shall mean the ISO's list of: (i) projects that possess an Interconnection Request or CRIS-Only Request participating in the ISO's Standard Interconnection Procedures set forth in this Attachment HH, (ii) projects with a valid Transmission Interconnection Application participating in the Transmission Interconnection Procedures in Attachment P to the ISO OATT, (iii) projects

with a valid Study Request participating in Section 3.7 of the ISO OATT, (iv) load projects submitted in accordance with Section 3.9 of the ISO OATT, (v) projects subject to an Affected System Study, and (vi) projects that prior to the effective date of the Standard Interconnection Procedures were participating in the ISO's Standard Large Facility Interconnection Procedures in Attachment X to the ISO OATT or the Small Generator Interconnection Procedures in Attachment Z to the ISO OATT and retain their Queue Position in accordance with the transition requirements set forth in Section 40.3 to this Attachment HH.

Queue Position shall mean the unique number and/or letter designation in the Queue for a valid Interconnection Request, CRIS-Only Request, Study Request, Load request, or Transmission Interconnection Application that satisfies the applicable requirements for inclusion in the Queue.

Readiness Deposits shall mean Readiness Deposit 1 and Readiness Deposit 2.

Readiness Deposit 1 shall mean a deposit paid by Interconnection Customer for its Cluster Study Project to enter the Phase 1 Study as set forth in Section 40.7.5 to this Attachment HH.

Readiness Deposit 2 shall mean a deposit paid by Interconnection Customer for its Cluster Study Project to enter the Phase 2 Study as set forth in Section 40.10.8 to this Attachment HH.

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

Regulatory Limitations shall mean a federal, state, Tribal, or local law, other than permitting and siting requirements, that makes it infeasible to obtain Site Control prior to an Interconnection Customer's submission of its Interconnection Request as set forth in ISO Procedures.

Retired shall mean a Generator that has permanently ceased operating on or after the effective date of Section 5.18 of the ISO Services Tariff either: i) pursuant to applicable notice; or ii) as a result of the expiration of its Mothball Outage or the expiration of its ICAP Ineligible Forced Outage.

Revised Project Cost Allocation shall mean the revised dollar figure cost estimate and related information provided by the ISO to an Interconnection Customer following receipt by the ISO of a Non-Acceptance Notice, or upon the occurrence of a Security Posting Default by another member of the respective Cluster.

Scoping Meeting shall mean the group meeting during the Customer Engagement Window among representatives of the Interconnection Customers in the Cluster for a given Cluster Study Process, the ISO, Connecting Transmission Owners, and Affected Transmission Owners conducted for the purpose of discussing Interconnection Customers' Interconnection Requests and CRIS-Only Requests and providing available information including any transmission data and earlier study evaluations that would be reasonably expected to impact their proposed interconnections.

SDU Project Cost Allocation shall have the meaning set forth in Section 40.15.1 to Attachment HH.

Security shall mean, under the interconnection facilities cost allocation rules set out in this Attachment HH, an Interconnection Customer must signify its willingness to pay the Connecting Transmission Owner, Affected Transmission Owner(s), and/or Affected System Operator(s) for the Interconnection Customer's share of the required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades by posting Security for the full amount of the Interconnection Customer's share within a specified time frame. The Security can be a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the Connecting Transmission Owner, Affected Transmission Owner(s), and/or Affected System Operator(s), meeting the requirements of the cost allocation rules in this Attachment HH, and meeting the commercially reasonable requirements of the Connecting Transmission Owner, Affected Transmission Owner(s), and/or Affected System Operator(s).

Security Posting Default shall mean a failure by one or more Interconnection Customers to post Security in, as applicable, the Final Decision Period or Additional SDU Study Decision Period, as required by this Attachment HH.

Site Control shall mean the necessary land right sufficient to develop, construct, operate, and maintain the Facility over a term of at least ten (10) years from the date of the submission of the Interconnection Request. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to occupy a site of sufficient size to construct and operate the Facility. The term "necessary land right" restricts the use of the site for mutually exclusive projects, but does not restrict multi-use applications of the site in addition to its use for the Facility, such as agriculture, ranching, etc. The ISO will maintain acreage requirements and other applicable parameters for each facility type on its OASIS or public website.

Site Control Deposit shall mean the deposit provided by the Interconnection Customer to satisfy the Site Control requirement due to a Regulatory Limitation as set forth in Section 40.5.5.1.5.1 to this Attachment HH.

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. The ISO, the Connecting Transmission Owner, and the Interconnection Customer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Interconnection Agreement. If the ISO, the Connecting Transmission Owner, and the Interconnection Customer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, the ISO and the Connecting Transmission Owner must provide the Interconnection Customer a written technical explanation outlining why the ISO and

the Connecting Transmission Owner do not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) Business Days of its determination.

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

Standard Interconnection Agreement ("IA") shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility or Cluster Study Transmission Project, that is included in Appendix 15 to this Attachment HH of the ISO OATT. For purposes of applying the requirements in this Attachment HH, the term Standard Interconnection Agreement shall include, as applicable, Standard Large Generator Interconnection Agreement and Small Generator Interconnection Agreement.

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

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

Study Deposit shall mean the study deposit the Interconnection Customer must submit with its Interconnection Request or CRIS-Only Request pursuant to Section 40.5.5.1.4 to this Attachment HH.

Subsequent Decision Round shall mean a seven calendar day period of, as applicable, the Final Decision Period or Additional SDU Study Decision Period, within which an Interconnection Customer must provide an Acceptance Notice or Non-Acceptance Notice to the ISO in response to the Revised Project Cost Allocation issued by the ISO to the Interconnection Customer.

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

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

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

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

Transition Cluster Study shall mean the Cluster Study conducted during the Transition Cluster Study Process.

Transition Cluster Study Process shall mean the first Cluster Study Process conducted in accordance with the Standard Interconnection Procedures requirements in this Attachment HH**.**

Transition Cluster Study Process Start Date shall mean the date upon which the ISO will open the Application Window for the Transition Cluster Study Process, which date shall be determined pursuant to Section 40.5.1.1 to this Attachment HH.

Trial Operation shall mean the period during which an Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility or Cluster Study Transmission Project prior to Commercial Operation.

UCAP Deration Factor ("UCDF") shall have the meaning set forth in Sections 40.13.8.2.1.3 and 40.13.8.2.2.2 of this Attachment HH.

Upgrades shall mean the required additions and modifications to the Connecting Transmission Owner's portion of the New York State Transmission System or the Distribution System at or beyond the Point of Interconnection. Upgrades may be System Upgrade Facilities or System Deliverability Upgrades or Distribution Upgrades. Upgrades do not include Attachment Facilities.

Withdrawal Penalty shall mean the penalties assessed by the ISO to an Interconnection Customer that chooses to withdraw or is deemed withdrawn by the ISO from the ISO's Queue or whose Generating Facility or Cluster Study Transmission Project does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 40.6.5.1 to this Attachment HH.

Withdrawal Penalty Funds shall mean the amount of the Withdrawal Penalties that the ISO has collected from Cluster Study Projects for a given Cluster Study Process.

40.2 Effective Date, Scope, and Application of Standard Interconnection Procedures

40.2.1 Effective Date of Standard Interconnection Procedures

The Standard Interconnection Procedures set forth in this Attachment HH to the ISO OATT shall be effective on May 2, 2024. Any Interconnection Request or CRIS-Only Request for a Large Generating Facility, Class Year Transmission Project, Small Generating Facility, or Class Year Project in the Queue that was submitted prior to the effective date of the Standard Interconnection Procedures in accordance with the requirements in the Standard Large Facility Interconnection Procedures in Attachment X to the ISO OATT, the Standard Small Generator Interconnection Procedures in Attachment Z to the ISO OATT, and/or the Rules to Allocate Responsibility for the Cost of New Interconnection Facilities in Attachment S to the ISO OATT shall be subject to the transition requirements set forth in Section 40.3.1 to this Attachment HH. As of the effective date, the requirements in Attachments S, X, and Z to the ISO OATT shall no longer apply except as provided in the transition rules in Section 40.3.1 to this Attachment HH or as otherwise provided in this Attachment HH.

40.2.2 Scope of Standard Interconnection Procedures

The ISO shall process Interconnection Requests and CRIS-Only Requests through a Cluster Study Process in accordance with the requirements in this Attachment HH to the ISO OATT. The ISO shall conduct a Cluster Study Process on a recurring, defined basis as established in Section 40.5.1, beginning with a Transition Cluster Study Process. Prior to the commencement of a given Cluster Study Process, an entity may obtain information concerning its proposed interconnection by reviewing the Heatmap as set forth in Section 40.4.1 and by requesting a Pre-Application Report as set forth in Section 40.4.2.

The ISO shall commence a particular Cluster Study Process by opening the Application

Window for that study cycle on the Cluster Study Process Start Date (or the Transition Cluster Study Process Start Date for the Transition Cluster Study) as set forth in Section 40.5.1. To enter a given Cluster Study Process, an Interconnection Customer must submit, as applicable, an Interconnection Request or CRIS-Only Request, including an Application Fee, Study Deposit, and all other required materials, for its Generating Facility, Cluster Study Transmission Project, or CRIS-Only Cluster Study Project during the Application Window as set forth in Section 40.5.4. If the Interconnection Customer submits a valid Interconnection Request or CRIS-Only Request, the Interconnection Request or CRIS-Only Request will be a Cluster Study Project included in the Cluster for that Cluster Study Process. An Interconnection Customer must timely cure any deficiencies identified by the ISO, Connecting Transmission Owner, or Affected Transmission Owner as set forth in Section 40.5.7.

The ISO shall then commence the Customer Engagement Window as set forth in Section 40.7.1. During the Customer Engagement Window, the ISO shall publish the list of all of the Cluster Study Projects in the Cluster for that particular Cluster Study Process as set forth in Section 40.7.2. The Connecting Transmission Owner will also conduct a Physical Infeasibility Screening of the proposed interconnections of the Cluster Study Projects as set forth in Section 40.7.3. Finally, the ISO shall conduct a group Scoping Meeting for the Cluster as set forth in Section 40.7.4. At the conclusion of the Customer Engagement Window, the ISO will commence the Phase 1 Entry Decision Period in which an Interconnection Customer will elect for its Cluster Study Project to proceed to the Phase 1 Study, including posting the Readiness Deposit 1 for its project, or to withdraw its Cluster Study Project from the Queue as set forth in Section 40.7.5. A Cluster Study Project that withdraws may be subject to a Withdrawal Penalty as set forth in Section 40.7.6.

The ISO shall then commence the Phase 1 Study. For purposes of the Phase 1 Study and Phase 2 Study, the ISO will finalize the Existing System Representation in accordance with Section 40.10.3. The Connecting Transmission Owners and Affected Transmission Owners will then perform the Phase 1 Study in accordance with Section 40.10.4 to identify the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities required to reliably interconnect the Cluster Study Project with the New York State Transmission System or Distribution System in accordance with Applicable Reliability Requirements and to provide cost estimates for and a preliminary schedule to construct the facilities. The Phase 1 Study concludes with the ISO's Operating Committee's approval of the Phase 1 Cost Estimates Summary Report.

At the conclusion of the Phase 1 Study, the ISO will commence the Phase 2 Entry Decision Period in which an Interconnection Customer will elect for its Cluster Study Project to proceed to the Phase 2 Study, including posting the Readiness Deposit 2 for its project, or to withdraw its Cluster Study Project from the Queue as set forth in Section 40.10.8. A Cluster Study Project that withdraws may be subject to a Withdrawal Penalty as set forth in Section 40.10.9.

The ISO will then perform the Phase 2 Study as set forth in Section 40.11. The ISO will perform assessments using the Cluster Baseline Assessment and Cluster Project Assessment base cases to identify the System Upgrade Facilities and Distribution Upgrades required for the reliable interconnection of Cluster Study Projects to the New York State Transmission System or to the Distribution System in compliance with the NYISO Minimum Interconnection Standard in accordance with the requirements in Section 40.12. In addition, for Cluster Study Projects requesting CRIS, the ISO will conduct a Cluster Study Deliverability Study to assess their

requested CRIS in compliance with the NYISO Deliverability Interconnection Standard and identify any required System Deliverability Upgrades in accordance with Section 40.13. The Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator will determine the cost estimates for and a preliminary schedule to construct the facilities, along with updating, as needed, the identification of and cost estimates of the facilities identified in the Phase 1 Study. The Phase 2 Study concludes with the ISO's Operating Committee's approval of the Cluster Study Report.

At the conclusion of the Phase 2 Study, the ISO will commence the Final Decision Period in which each Interconnection Customer will elect through iterative decision rounds whether to accept its Project Cost Allocation and pay cash or post Security for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades identified in the Cluster Study for its Cluster Study Project as set forth in Section 40.15. An Interconnection Customer that accepts its Project Cost Allocation and pays cash or posts Security in the allocated amount for its Cluster Study Project will proceed to the negotiation process for a Standard Interconnection Agreement and any required construction agreements for that project as set forth in Section 40.21. If an Interconnection Customer does not accept its Project Cost Allocation or does not pay cash or post Security in the allocated amount for its Cluster Study Project, the Cluster Study Project will be withdrawn from the Queue and may be subject to a Withdrawal Penalty as set forth in Section 40.15.5. The ISO will perform, if applicable, an Additional SDU Study as set forth in Section 40.14.

An Interconnection Customer may separately elect to enter an Expedited Deliverability Study for purposes of requesting CRIS outside the Cluster Study Process, subject to the eligibility requirements for the Expedited Deliverability Study, in accordance with Section 40.19.

40.2.3 Application of Standard Interconnection Procedures

40.2.3.1 The Standard Interconnection Procedures set forth in this Attachment HH establish the rules for an Interconnection Customer to submit an Interconnection Request or CRIS-Only Request proposing to: (i) interconnect a new Generating Facility or Cluster Study Transmission Project to the New York State Transmission System or to the Distribution System, (ii) materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project that is interconnected to the New York State Transmission System or Distribution System, or (iii) solely obtain CRIS or an increases in CRIS.

40.2.3.2 For purposes of Section 40.2.3.1, an increase in the capacity of an existing Facility is a material increase unless the increase (a) is not associated with any equipment changes or is associated with equipment changes determined by the ISO to be non-material; and (b) is an increase in: (i) the baseline ERIS level for a Facility greater than 20 MW that is equal to or less than ten (10) megawatts or five (5) percent, whichever is greater, or (ii) the baseline ERIS level for a Facility 20 MW or smaller that is equal to or less than two (2) megawatts. For purposes of this Section 40.2.3.2, the baseline ERIS level of an existing facility is (a) the greater of (i) the existing Facility's CRIS level determined as a facility pre-dating Class Year 2007 pursuant to Section 40.18.2.5, if applicable; or (ii) the final maximum summer megawatt electrical output studied for the total facility (including all Generators in a facility comprised of multiple Generators) for ERIS in the ISO's interconnection process for the existing Facility; or (b) if neither (a)(i) nor (a)(ii) are applicable, the baseline ERIS level is the value reflected in the Facility's interconnection agreement or other applicable documentation governing the Facility's interconnection; *provided, however,* if the Facility has requested a modification to its facility to decrease its size, and such modification has been deemed nonmaterial by the ISO, the decreased

MW level will be a cap on its baseline ERIS. If the existing Facility is a BTM:NG Resource, the increase in existing capacity will be measured based on the increase from the existing gross capability of the generator to the proposed gross capability of the generator, as modified. Notwithstanding the above, if the existing Facility is a temperature sensitive unit, the maximum capacity of which varies based on ambient temperature, the increase in existing capacity will be measured based on the largest increase from the existing capacity to the proposed capacity at the same temperature, i.e., at the same temperature along the maximum megawatt electrical output versus temperature curves.

40.2.3.3 The rules in this Attachment HH apply to ERIS and CRIS obtained under this Attachment HH as well as ERIS and CRIS obtained under Attachments S, X, or Z of the ISO OATT.

40.2.3.4 A Transmission Owner that has constructed a reliability-based transmission or distribution system upgrade, or an upgrade pursuant to an order issued by a regulatory body requiring such construction, will not be deemed to be an Interconnection Customer under these rules because of the construction of that upgrade.

40.2.3.5 These Standard Interconnection Procedures do not apply to interconnections made simply to receive power from the New York State Transmission System and/or the Distribution System, nor to interconnections made solely for the purpose of generation with no wholesale sale for resale nor to net metering. These procedures do not apply to interconnections to LIPA's distribution facilities. LIPA will continue to administer the interconnection process for generators connecting to its distribution facilities and perform all required studies on its distribution system under its own tariffs and procedures.

40.2.3.6 An Interconnection Customer seeking to return a Generating Facility to

Commercial Operations after it is Retired must submit a new Interconnection Request as a new facility. An Interconnection Customer returning a Generating Facility to service prior to the expiration or termination of its Mothball Outage or ICAP Ineligible Forced Outage need not submit a new Interconnection Request unless the Generating Facility is making modifications or is increasing its capacity such as would otherwise trigger a new Interconnection Request for an existing Generating Facility.

40.2.3.7 Under the Standard Interconnection Procedures, a request to interconnect a certified Generating Facility (see Appendices 10 and 11 for description of certification criteria) to the Connecting Transmission Owner's Distribution System shall be evaluated under the Fast Track Process in Section 40.23 if the eligibility requirements of Section 40.23.1 are met. If the Generating Facility does not meet the eligibility requirements or does not pass the Fast Track Process, it shall be subject to the Cluster Study Process and may submit an Interconnection Request for the project in the next open Application Window.

40.2.3.8 A request to interconnect a certified inverter-based Generating Facility no larger than 10 kilowatts (kW) shall be evaluated under the Appendix 12 10 kW Inverter Process instead of through the Cluster Study Process. If the Generating Facility does not meet the eligibility requirements or does not pass the Fast Track Process, it shall be subject to the Cluster Study Process and may submit an Interconnection Request for the project in the next open Application Window.

40.2.4 Fee and Deposit Requirements for the Standard Interconnection Procedures

40.2.4.1 Method for Payment of Cash Fees and Deposits

An Interconnection Customer must submit any cash fee or cash deposit required under this Attachment HH to the ISO via electronic payment using the method required by the ISO.

40.2.4.2 Deposit Requirement

As security for the prompt payment of Interconnection Customer's obligation to make payments to the ISO required under this Attachment HH, Interconnection Customer shall provide deposits required by this Attachment HH in an acceptable form in accordance with the requirements in Sections 40.2.4.2.1, 40.2.4.2.2, or 40.2.4.2.3.

40.2.4.2.1 Cash Deposit

If Interconnection Customer provides cash to the ISO as a deposit, Interconnection Customer's delivery of cash to the ISO shall constitute the grant of a first-priority security interest in the cash in favor of the ISO, and the ISO shall be authorized by such delivery to hold the cash as security and to apply it to the Interconnection Customer's obligations. An Interconnection Customer who delivers cash to the ISO hereunder agrees that the ISO OATT and any other agreements incorporating the terms of the ISO OATT shall for all purposes constitute a security agreement.

40.2.4.2.2 Letter of Credit

If Interconnection Customer provides a letter of credit to the ISO as a deposit, the letter of credit shall be in a form acceptable to the ISO and issued or guaranteed by an approved U.S. or Canadian commercial bank, or an approved U.S. or Canadian branch of a foreign bank, with a minimum "A" rating from Standard & Poor's, Fitch, Moody's, or Dominion. An Interconnection Customer providing a letter of credit must provide a separate letter of credit for each Interconnection Request and each CRIS-Only Request. An Interconnection Customer's failure to provide an acceptable deposit in an amount sufficient to meet its obligations in Attachment HH fifty (50) days prior to the termination of a letter of credit, which deposit shall be guaranteed to remain in effect for a period of not less than one (1) year, shall be considered a

failure to maintain a deposit under this Attachment HH enabling the ISO to immediately draw upon the full value of the letter of credit or avail itself of all other remedies to which it is entitled under this Attachment HH.

40.2.4.2.3 Surety Bond

If Interconnection Customer provides a surety bond to the ISO as a deposit, the surety bond shall be in a form acceptable to the ISO, payable immediately upon demand without prior demonstration of the validity of the demand, and issued by a U.S. Treasury-listed surety with a minimum "A" rating from A.M. Best. An Interconnection Customer's failure to provide an acceptable deposit in an amount sufficient to meet its obligations in Attachment HH fifty (50) days prior to the termination of a surety bond, which deposit shall be guaranteed to remain in effect for a period of not less than one (1) year, shall be considered a failure to maintain a deposit under this Attachment HH enabling the ISO to immediately demand payment of the full value of the surety bond or avail itself of all other remedies to which it is entitled under this Attachment HH.

40.2.5 Comparability

The ISO shall receive, process and analyze all Interconnection Requests and CRIS-Only Requests in a timely manner as set forth in the Standard Interconnection Procedures. As described herein, the ISO will process and analyze all Interconnection Requests and CRIS-Only Requests with independence and impartiality, in cooperation with and with input from the Interconnection Customers, Connecting Transmission Owners and other Market Participants. The ISO will perform, oversee or review the Cluster Study Process to ensure compliance with the Standard Interconnection Procedures. The ISO shall process and analyze Interconnection Requests and CRIS-Only Requests from all Interconnection Customers, regardless of whether the Generating Facilities or Cluster Study Transmission Projects are owned by a Connecting

Transmission Owner, its subsidiaries or Affiliates, or others.

40.2.6 Base Case Data

The ISO or Connecting Transmission Owner, depending upon which of those Parties possesses the data requested, shall provide base power flow, short circuit and stability databases, including all underlying assumptions and contingency lists, to the Interconnection Customer upon request. In addition, the ISO shall maintain network models and underlying assumptions within its possession on its secure portion of the ISO website, which shall be accessible through a link from the OASIS. Such network models and underlying assumptions should reasonably represent those used during the most recent Class Year Study or Cluster Study, as applicable, and be representative of current system conditions used in the interconnection studies. All Parties shall treat Confidential Information in accordance with Section 40.24.1 of these Standard Interconnection Procedures. The ISO and Connecting Transmission Owner are permitted to require that Interconnection Customers and password-protected website users sign a non-disclosure agreement before the release of Confidential Information or Critical Energy Infrastructure Information in the Base Case data. The power flow, short circuit and stability data bases and underlying assumptions provided shall be those that the ISO is using in the Cluster Baseline Assessment then in progress, or if such data bases are not available, the data bases from the last completed Cluster Project Assessment conducted prior to the request or posted to the secure portion of the ISO website. In the case of a request from an Interconnection Customer considering or requesting CRIS, the power flow data bases provided shall include the Cluster Project Assessment case from the most recently completed Class Year Deliverability Study or Cluster Study Deliverability Study.

40.2.7 No Applicability to Transmission Service or Other Services

Nothing in these Standard Interconnection Procedures shall constitute a request for Transmission Service or confer upon an Interconnection Customer any right to receive Transmission Service. Nothing in these Standard Interconnection Procedures shall constitute a request for, nor agreement to provide, any energy, Ancillary Services or Installed Capacity under the ISO Services Tariff, except to the extent that an Interconnection Customer's election of Capacity Resource Interconnection Service and satisfaction of the NYISO Deliverability Interconnection Standard are prerequisites for the Generating Facility to become a qualified Installed Capacity Supplier and for the Cluster Study Transmission Project to receive Unforced Capacity Deliverability Rights.

40.2.8 Transmission Service Customer Rights

Nothing in these rules precludes any transmission service customer from receiving transmission service charge credits to the extent the customer is entitled to such credits under FERC policy and precedent.

40.2.9 ISO Data Requirements

Interconnection Customers and Transmission Owners shall provide the ISO with all data necessary to make the determinations contemplated by these rules.

40.2.10 Limitation of Liability

All obligations of the ISO or a Transmission Owner pursuant to these Standard Interconnection Procedures are services or associated with services under this ISO OATT and subject to the limitation of liability contained in Section 2.11.3 to the ISO OATT.

40.2.11 Rights Under the Federal Power Act

Nothing in these Standard Interconnection Procedures restricts the rights of any person under the OATT, or the right of any person to file a complaint with the Federal Energy Regulatory Commission under the relevant provisions of the Federal Power Act or the right of a party to and under the ISO/TO Agreement or an Operating Agreement.

40.2.12 Inclusion of Black Start Capability at Generating Facility Larger than 20 MW

An Interconnection Customer proposing, pursuant to this Attachment HH, to interconnect a new Generating Facility larger than 20 MW to Zone J or to modify – i.e., materially increase (as defined in Section 40.2.3.2 of this Attachment HH) the capacity of or make a material modification to the operating characteristics of – an existing Generating Facility larger than 20 MW already interconnected to Zone J that will commence Commercial Operation after November 1, 2012, shall include black start capability at the Generating Facility; *provided, however*, the Generating Facility shall not be required to include black start capability if:

(A) the ISO determines that: (i) the inclusion of black start capability at the Generating Facility would not provide a material benefit to system restoration in Zone J, or (ii) the Interconnection Customer has shown good cause for not including black start capability at the Generating Facility, or

(B) as of November 1, 2012, the Generating Facility has: (i) received one or more draft or final air permits from the appropriate regulatory agency, or (ii) has completed a draft environmental impact statement and submitted it to the appropriate governmental agency for issuance for public comment.

The inclusion of black start capability at a given Generating Facility would provide a material benefit to system restoration in Zone J if, among other things, such action would

improve the speed, adequacy, or flexibility of Consolidated Edison Company of New York, Inc.'s ("Consolidated Edison's") black start and system restoration plan for restoring electric service in Zone J in a safe, orderly, and prompt manner following a major system disturbance that would require Consolidated Edison to undertake system restoration efforts.

To facilitate the ISO's determination regarding material benefit, Consolidated Edison shall at its expense perform contemporaneously with the Phase 1 Study a separate study to examine whether a new or modified Generating Facility would provide a material benefit to system restoration as a black start resource. If changes to the project made subsequent to this study are deemed by the ISO to be significant, Consolidated Edison shall perform a new study at Interconnection Customer's expense. The study will indicate the black start performance measures under Consolidated Edison's black start and system restoration plan and the impact on relevant factors of the Generating Facility having black start capability. Consolidated Edison will provide its study to the ISO and to the Interconnection Customer(s) of the Generating Facility(ies) that were considered in the study, subject to appropriate confidentiality protections. Consolidated Edison may provide the study to other parties that have a direct interest in this matter as well, subject to appropriate confidentiality protections.

If an Interconnection Customer asserts that good cause exists for not including black start capability at a new or modified Generating Facility, it shall provide documentation demonstrating the technical, financial, spatial, and/or other reasons that justify its assertion. Factors that may constitute reasonable justification include, but are not limited to: (i) physical site limitations would unreasonably impair the planned use of the site or prevent the inclusion of black start equipment in addition to the equipment required to properly operate and maintain the proposed Generating Facility; (ii) the cost of adding black start capability would increase the

overall cost of the project to a level that would impair the ability of the Interconnection Customer to secure financing at commercially competitive terms; or (iii) the inclusion of black start capability would prevent Interconnection Customer from obtaining the permits and approvals needed for the project, or result in the imposition of significantly more burdensome permit conditions than would be imposed absent the installation of black start capability. Interconnection Customer will provide a study to the ISO and Consolidated Edison that supports its claim under this section, subject to appropriate confidentiality protections. Interconnection Customer may provide the study to other parties that have a direct interest in this matter as well, subject to appropriate confidentiality protections.

Any decision by the ISO regarding a new or modified Generating Facility's installation of black start capability pursuant to these provisions shall not be considered precedential or binding on the New York State Board on Electric Generation Siting and the Environment. In the event the New York State Board on Electric Generation Siting and the Environment makes a determination regarding the installation of black start equipment in the course of its siting process under Public Service Law Article 10, the ISO will accept that determination and not make a separate determination hereunder.

40.3 Transition Procedures

40.3.1 Transition Procedures for Interconnection Requests and CRIS-Only Requests Submitted Prior to the Effective Date of Standard Interconnection Procedures

Upon the effective date of the Standard Interconnection Procedures, the ISO shall withdraw from the Queue all existing Interconnection Requests for Large Generating Facilities, Class Year Transmission Projects, Small Generating Facilities, or Class Year Projects and cease its evaluation of all existing CRIS-Only Requests for Class Year Projects that were submitted prior to the effective date of the Standard Interconnection Procedures pursuant to, as applicable, the Standard Large Facility Interconnection Procedures in Attachments S and X of the ISO OATT or the Standard Small Generator Interconnection Procedures in Attachment Z of the ISO OATT, except as provided for in the transition requirements set forth in Sections 40.3.1.1 – 40.3.1.10.

40.3.1.1 The ISO shall retain the Queue Position of a Large Facility or a Small Generating Facility that, as of the effective date of the Standard Interconnection Procedures, (i) has an executed interconnection agreement or an unexecuted interconnection agreement accepted by the Commission, but (ii) has not yet entered Commercial Operation.

40.3.1.2 The ISO shall retain the Queue Position of a Class Year Project or Small Generating Facility that, as of the effective date of the Standard Interconnection Procedures: (A) has either participated in the Class Year Interconnection Facilities Study for Class Year 2021 or a prior Class Year Interconnection Facilities Study or completed a Small Generator facilities study, (B) has either accepted at the conclusion of the Class Year Interconnection Facilities Study its Project Cost Allocation and paid cash or posted Security for its allocated amount or satisfied the requirements of Section 32.3.5.7.1 of Attachment Z to the OATT at the conclusion of its Small Generator facilities study applicable to the cost allocation for its

identified Interconnection Facilities and Upgrades, and (C) is negotiating an interconnection agreement for the Class Year Project or Small Generating Facility or has requested that such interconnection agreement be filed unexecuted with the Commission. For a Class Year Project for Class Year 2021 or prior Class Years or a Small Generating Facility for which the ISO is negotiating with the Interconnection Customer, Connecting Transmission Owner, Affected System Operator, and/or Affected Transmission Owner, as applicable, an interconnection agreement and/or Engineering, Procurement, or Construction Agreement(s) as of the effective date of the Standard Interconnection Procedures, the parties shall continue to negotiate, as applicable, the Standard Large Generator Interconnection Agreement, Small Generator Interconnection Agreement, and/or Engineering, Procurement, or Construction Agreement pursuant to the terms and forms set forth, as applicable, in Attachment X or Attachment Z to the ISO OATT.

40.3.1.3 Class Year Projects in the Class Year Study for Class Year 2023

40.3.1.3.1 The ISO shall retain the Queue Position of a Class Year Project participating in the Class Year Study for Class Year 2023. The ISO shall complete the Class Year Interconnection Facilities Study for Class Year 2023, including invoicing study costs and reconciling final payments and any deposit refunds, pursuant to the requirements for a Class Year Study set forth in Attachments X and S to the ISO OATT.

40.3.1.3.2 The ISO will perform any Additional SDU Study for Class Year 2023 in accordance with the existing requirements for such study in Attachment S to the ISO OATT. If the decision period for the Additional SDU Study is not completed ten (10) Business Days prior to the scheduled Phase 1 Study Start Date for the Transition Cluster Study Process, the ISO shall terminate the Additional SDU Study. If the Additional SDU

Study is terminated and an Interconnection Customer wishes to obtain an SDU Project Cost Allocation for its requested CRIS, the Interconnection Customer may elect to enter a subsequent Cluster Study Process by satisfying the applicable entry requirements for an Interconnection Request or CRIS-Only Request in the Application Window for the Cluster Study Process as set forth in Section 40.5.4 of this Attachment HH.

40.3.1.3.3 Notwithstanding the requirements in Section 30.11.1 of Attachment X and Section 25.6.2.3.2 of Attachment S to the ISO OATT, a Class Year Project that satisfied the regulatory milestone requirement to enter Class Year 2023 or a prior Class Year by submitting a qualifying contract or deposit shall not be subject to withdrawal from the Queue if it has not satisfied the applicable regulatory milestone within six (6) months after the date the ISO tenders its draft interconnection agreement. If the Class Year Project submitted a deposit to satisfy the regulatory milestone requirement, it will remain subject to the requirements and timeframes in Section 25.6.2.3.1 of Attachment S to the ISO OATT concerning the refund of this deposit.

40.3.1.3.4 If: (i) the Class Year Project withdraws, or is deemed withdrawn, prior to the completion of Class Year 2023, or (ii) a Class Year Project does not accept its Project Cost Allocation or does not pay cash or post Security for its allocated amount as determined in Class Year 2023, the Interconnection Request shall be withdrawn from the Queue. If a Class Year Project accepts its Project Cost Allocation and pays cash or posts Security for its allocated amount in Class Year 2023, the ISO shall tender to the Interconnection Customer as soon as practicable following the completion of the Class Year Study a Standard Interconnection Agreement and any required Standard Upgrade Construction Agreement or Multiparty Standard Upgrade Construction Agreement in

accordance with the requirements in Section 40.21 to this Attachment HH. If the Interconnection Customer requests tender of an interconnection agreement prior to the completion of the Class Year Study pursuant to the requirements in Section 30.11.3 of Attachment X to the OATT, the ISO will tender the Standard Interconnection Agreement to the Interconnection Customer.

40.3.1.4 The ISO shall retain the Queue Position of a Small Generating Facility and complete or commence a Small Generator facilities study pursuant to the requirements in Section 40.3.1.4.1 if: prior to the effective date of the Standard Interconnection Procedures either:

(i) the facilities study has already commenced pursuant to the requirements in 32.3.5 of Attachment Z to the ISO OATT, or

(ii) the facilities study has not yet commenced, but the following requirements have been satisfied: (A) a system impact study for the Small Generating Facility has been completed that did not identify any non-Local System Upgrade Facilities, (B) the Interconnection Customer executed a Small Generator facilities study agreement tendered by the ISO, (C) Connecting Transmission Owner has confirmed receipt of the complete data provided by the Interconnection Customer that is required for the performance of the applicable study, and (D) the ISO has provided to the Connecting Transmission Owner the final short-circuit base case required for the facilities study.

40.3.1.4.1 If the requirements in either Section 40.3.1.4(i) or (ii) are met, the ISO, in coordination with the Connecting Transmission Owner, shall proceed to commence or complete the facilities study in accordance with the requirements in Attachment Z to the ISO OATT subject to the following conditions unless the

Interconnection Customer informs the ISO to terminate or not commence the facilities study:

(i) If the facilities study is not completed prior to the end of the Application Window for the Transition Cluster Study Process, then the ISO shall terminate the facilities study and shall withdraw the Interconnection Request for the Small Generating Facility from the Queue.

(ii) If the facilities study identifies any non-Local System Upgrade Facilities, then the ISO shall terminate the facilities study and shall withdraw the Interconnection Request for the Small Generating Facility from the Queue.

(iii) If the facilities study is completed, and the Interconnection Customer satisfies the requirements in Attachment Z to be tendered an interconnection agreement, the ISO, Connecting Transmission Owner, and Interconnection Customer will negotiate a Standard Small Generator Interconnection Agreement in accordance with the requirements in Attachment Z to the ISO OATT. If the Small Generating Facility does not satisfy the requirements to be tendered a draft Standard Small Generator Interconnection Agreement following the completion of its facilities study, the ISO shall withdraw the Interconnection Request for the Small Generating Facility from the Queue.

40.3.1.5 If, prior to the effective date of the Standard Interconnection Procedures, an Interconnection Customer's Small Generating Facility that has not satisfied the requirements in Sections 40.3.1.2 or 40.3.1.4 either:

(i) has commenced an optional feasibility study or system impact study for the Small Generating Facility, or

(ii) has: (A) satisfied the requirements, as applicable, in Sections 32.3.2.3, 32.3.4.1, and 32.3.4.3 of Attachment Z to the ISO OATT to commence an optional feasibility study or system impact study, (B) Connecting Transmission Owner has confirmed receipt of the complete data provided by the Interconnection Customer that is required for the performance of the applicable study, and (C) the ISO has provided to the Connecting Transmission Owner the final base case required for the applicable optional feasibility study or system impact study, then the ISO, in coordination with the Connecting Transmission Owner, shall proceed using Reasonable Efforts to commence or complete the applicable study unless the Interconnection Customer informs the ISO not to commence or to terminate the study. The ISO shall retain the Queue Position for the Interconnection Request for the Small Generating Facility for the duration of the study and shall withdraw the Interconnection Request from the Queue upon the completion or termination of the study. If the optional feasibility study or system impact study is not completed prior to the end of the Application Window for the Transition Cluster Study Process, then the ISO shall terminate the study and shall withdraw the Interconnection Request for the Small Generating Facility from the Queue.

40.3.1.5.1 An Interconnection Customer with a Small Generating Facility that is subject to an optional feasibility study or system impact study under Section 40.3.1.5 cannot submit an Interconnection Request for the same project or a project using the same Site Control in the Application Window of the Transition Cluster Study Process until the study performed in accordance with Section 40.3.1.5 is

completed or terminated. An Interconnection Customer may cure such deficiency in its Interconnection Request by informing the NYISO to terminate the ongoing study.

40.3.1.6 If, prior to the effective date of the Standard Interconnection Procedures, an Interconnection Customer's Large Facility that is not participating in the Class Year Study for Class Year 2023 either:

(i) has commenced an Optional Feasibility Interconnection Study, System Reliability Impact Study, or Optional System Reliability Impact Study in accordance with the interim transition procedures set forth in Section 30.5.3 of Attachment X to the ISO OATT, or

(ii) has (A) satisfied the requirements in Section 30.5.3 of Attachment X to commence an Optional Feasibility Interconnection Study, System Reliability Impact Study, or Optional System Reliability Impact Study, (B) Connecting Transmission Owner has confirmed receipt of the complete data provided by the Interconnection Customer that is required for the performance of the applicable study, and (C) the ISO has provided to the Connecting Transmission Owner the final base case required for the applicable study,

then the ISO, in coordination with the Connecting Transmission Owner, shall proceed using Reasonable Efforts to commence or complete the study unless the Interconnection Customer informs the ISO not to commence or to terminate the study. The ISO shall retain the Queue Position for the Interconnection Request for the Large Facility for the duration of the study and shall withdraw the Interconnection Request from the Queue upon the completion or termination of the study. If the Optional Feasibility Interconnection Study, System Reliability Impact Study, or Optional System Reliability Impact Study is not completed prior to the end of the Application Window for the Transition Cluster Study

Process, then the ISO shall terminate the study and shall withdraw the Interconnection Request for the Large Facility from the Queue.

40.3.1.6.1 An Interconnection Customer with a Large Facility that is subject to an Optional Feasibility Interconnection Study, System Reliability Impact Study, or Optional System Reliability Impact Study under Section 40.3.1.6 cannot submit an Interconnection Request for the same project or a project using the same Site Control in the Application Window of the Transition Cluster Study Process until the study performed in accordance with Section 40.3.1.6 is completed or terminated. An Interconnection Customer may cure such deficiency in its Interconnection Request by informing the NYISO to terminate the ongoing study.

40.3.1.7 If the ISO has commenced an Expedited Deliverability Study in accordance with the requirements in Section 25.5.9.2.1 to Attachment S to the ISO OATT that will not be completed prior to the effective date of the Standard Interconnection Procedures, the ISO will withdraw from the Expedited Deliverability Study any Small Generating Facility participating in the study that does not have a completed Small Generator facilities study or is not commencing or continuing with a Small Generator facilities study pursuant to the transition rules in Section 40.3.1.4.

40.3.1.8 If the ISO commenced a system impact study of the Affected System impacts on the New York State Transmission System of a generation project that is interconnecting to another region’s transmission system that is not completed prior to the effective date of the Standard Interconnection Procedures, the ISO shall complete the study in accordance with the agreed upon terms of such study. If the study identifies upgrades are required on the New York State Transmission System, the developer may submit a Transmission Interconnection

Application for the upgrade in accordance with the requirements in Attachment P to the ISO OATT and ISO Procedures.

40.3.1.9 For purposes of the performance and the completion or termination of an interconnection study in accordance with Sections 40.3.1.4, 40.3.1.5, or 40.3.1.6, the ISO will perform such studies and invoice study costs and reconcile final payments and any deposit refunds in accordance with the applicable requirements for such study in Attachments X, S, or Z to the ISO OATT unless otherwise indicated in this Section 40.3.1.

40.3.1.10 All projects that remain in the Queue following the effective date of the Standard Interconnection Procedures in accordance with the transition requirements in this Section 40.3.1 shall be subject to the requirements in this Attachment HH to the ISO OATT except as indicated in this Section 40.3.1 or otherwise indicated in this Attachment HH.

40.3.2 New Transmission Provider

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

Standard Interconnection Agreement with FERC, unless otherwise provided, the Interconnection Customer must complete negotiations with the successor transmission provider.

40.4 Pre-Application Interconnection Information Available to Prospective Interconnection Customers

40.4.1 Heatmap

The ISO shall maintain and make publicly available: (1) an interactive visual representation of the estimated incremental injection capacity (in megawatts) available at each point of interconnection on the New York State Transmission System under N-1 conditions, and (2) a table of metrics concerning the estimated impact of a potential Generating Facility on the New York State Transmission System based on a user-specified addition of a particular number of megawatts at a particular voltage level at a particular point of interconnection. At a minimum, for each transmission facility impacted by the user-specified megawatt addition, the following information will be provided in the table: (1) the distribution factor; (2) the megawatt impact (based on the megawatt values of the proposed Generating Facility and the distribution factor); (3) the percentage impact on each impacted transmission facility (based on the megawatt values of the proposed Generating Facility and the facility rating); (4) the percentage of power flow on each impacted transmission facility before the injection of the proposed project; and (5) the percentage power flow on each impacted transmission facility after the injection of the proposed Generating Facility. These metrics must be calculated based on the power flow model of the New York State Transmission System with the transfer simulated from each point of interconnection to the whole New York State Transmission System (to approximate Capacity Resource Interconnection Service), and with the incremental capacity at each point of interconnection decremented by the existing and queued Generating Facilities and with the incremental capacity at each point of injection for a Class Year Transmission Project or Cluster Study Transmission Project (based on the existing or requested interconnection service limit of the generation). The information contained in the Heatmap is solely for information purposes.

An entity seeking ERIS and/or CRIS must do so pursuant to the requirements in this Attachment HH. These metrics must be updated within thirty (30) Calendar Days after the completion of the latter of the Final Decision Period or the Additional SDU Study Decision Period. This information must be publicly posted, without a password or a fee. The website will define all underlying assumptions, including the name of the most recent Cluster Study used in the Base Case. The ISO will make this information required by this Section 40.4.1 available beginning thirty (30) Calendar Days after the conclusion of the latter of the Final Decision Period or the Additional SDU Study Decision Period for the Transition Cluster Study.

40.4.2 Pre-Application Report

40.4.2.1 An entity may request a Pre-Application Report for information regarding the proposed interconnection of a Generation Facility or Cluster Study Transmission Project at a particular point on the New York State Transmission System or Distribution System. To request a Pre-Application Report, the entity must submit to the ISO: (i) a fully completed and executed Pre-Application Request Form, in the form set forth in Appendix 4 to this Attachment HH, and (ii) a non-refundable pre-application fee of $5,000 in cash for each point of interconnection, which fee shall be provided in accordance with Section 40.2.4.1. The requesting entity may request through a single Pre-Application Request Form information concerning up to two points of interconnection. The requesting entity must submit an additional Pre-Application Request Form and applicable fee to request information about additional points of interconnection. An entity may submit a Pre-Application Request Form to the ISO at any time, except for within the period commencing forty-five (45) days prior to, as applicable, the Cluster Study Process Start Date or Transition Cluster Study Process Start Date and through the completion of the Application Window for that Cluster Study Process or Transition Cluster Study Process.

40.4.2.2 Upon the ISO's receipt of a fully completed and executed Pre-Application Request Form and the application fee from the requesting entity, the ISO will provide within five (5) Business Days a copy of the Pre-Application Request Form to the Connecting Transmission Owner. The application fee shall be divided between the ISO and the Connecting Transmission Owner as follows: 25% to the ISO and 75% to the Connecting Transmission Owner.

40.4.2.3 The Transmission Owner will respond to the ISO within five (5) Business Days confirming whether it is the appropriate Connecting Transmission Owner and, if so, identifying any Affected Transmission Owner(s) to the extent known at that time. Upon a Transmission Owner's confirmation that it is the appropriate Connecting Transmission Owner, it will coordinate with the requesting entity and any Affected Transmission Owner(s) to establish a date agreeable to those entities for a pre-application scoping meeting. If the identified Transmission Owner informs the ISO that it is not the appropriate Connecting Transmission Owner or Affected Transmission Owner, the ISO will provide within five (5) Business Days a copy of the Pre-Application Request Form to, as applicable, the appropriate Connecting Transmission Owner. The requesting entity shall execute a confidentiality agreement or non-disclosure agreement with the Connecting Transmission Owner and/or Affected Transmission Owner, if required by the applicable Transmission Owner, prior to the pre-application scoping meeting. The Connecting Transmission Owner shall complete, in coordination with any Affected Transmission Owner(s), and return to the requesting entity the Pre-Application Report within twenty-five (25) Business Days after the pre-application scoping meeting.

40.4.2.4 The Pre-Application Report shall be in the form set forth in Appendix 4 to this Attachment HH. The Connecting Transmission Owner shall, in good faith, complete the Pre-Application Report with the best information available at the time of the report to the extent

readily available data exists. The Pre-Application Report process does not obligate the ISO, Connecting Transmission Owner, or Affected Transmission Owner(s) to conduct a study or perform other analysis of the proposed interconnection of the Facility in the event the data is not readily available. If the Connecting Transmission Owner cannot complete all or some of the Pre-Application Report due to lack of available data, the Connecting Transmission Owner shall provide the requesting entity with a Pre-Application Report that includes the data that is available. The information included in the report is preliminary and non-binding, may be outdated by the time an Interconnection Request is submitted, and does not confer any rights on the part of the requesting entity or any obligations on the ISO, Connecting Transmission Owner, or Affected Transmission Owner(s). If the ISO, in consultation with the relevant Connecting Transmission Owner, determines that the proposed interconnection is not subject to the ISO's Standard Interconnection Procedures, the ISO will inform the requesting entity that its proposed interconnection is not subject to the Standard Interconnection Procedures, and the Connecting Transmission Owner will provide the requesting entity with the Pre-Application Report completed to the extent possible.

40.4.2.5 An entity is not required to request a Pre-Application Report to submit an Interconnection Request for its Facility to the ISO during an Application Window. Notwithstanding a Pre-Application Report, an entity must satisfy the Standard Interconnection Procedures in this Attachment HH to interconnect its Facility to the New York State Transmission System or Distribution System. If the Pre-Application Request Form seeks information about a point of interconnection that is not subject to the Standard Interconnection Procedures, the entity shall follow the applicable state tariff, rules, or procedures regarding generator interconnections.

40.5 Cluster Study Process Start Date/Application Window/ Interconnection Requests/ Interconnection Service Options

40.5.1 Start Date for Transition Cluster Study Process and Subsequent Cluster Study Processes

40.5.1.1 The Transition Cluster Study Process shall commence on the Transition Cluster Study Process Start Date, which shall be August 1, 2024.

40.5.1.2 Each subsequent Cluster Study Process shall commence on the Cluster Study Process Start Date for that Cluster Study Process.

40.5.1.3 For Cluster Study Processes after the Transition Cluster Study Process, the Cluster Study Process Start Date shall be fifteen (15) Calendar Days prior to the scheduled date for the ISO's presentation in the prior study process of the Cluster Study Report for the Operating Committee's approval. The date will be set as follows. Within thirty (30) Calendar Days of the commencement of the Phase 2 Study of the Transition Cluster Study Process or a subsequent Cluster Study Process, the ISO will provide a preliminary schedule for the next Cluster Study Process, including a preliminary Cluster Study Process Start Date, based on the then-scheduled date for the ISO's presentation of the Cluster Study Report to the Operating Committee. Sixty (60) Calendar Days prior to the latest scheduled date of the ISO's presentation of the Cluster Study Report to the Operating Committee, the ISO shall provide the final Cluster Study Process Start Date using that scheduled Operating Committee date.

If the ongoing Cluster Study, including the Final Decision Round of the Final Decision Period, takes longer than scheduled to be completed, then the ISO shall extend the Customer Engagement Window for the next Cluster Study Process by the number of additional days required to complete the prior Cluster Study, including its Final Decision Period.

40.5.1.4 The ISO shall provide notice of the Transition Cluster Study Process Start Date and subsequent Cluster Study Process Start Dates and schedule by: (i) sending notice of the start date and schedule to those registered through the ISO to be on the distribution lists for the NYISO Operating Committee and its subcommittees and (ii) posting notice on its website of the start date.

40.5.2 Transition Cluster Study Process

The Transition Cluster Study Process shall be conducted in accordance with the requirements for the Cluster Study Process set forth in this Attachment HH except as otherwise indicated in this Attachment HH.

40.5.3 Application Window Duration

40.5.3.1 The Application Window shall commence, as applicable, on the Transition Cluster Study Process Start Date or Cluster Study Process Start Date.

40.5.3.2 The Application Window shall be a forty-five (45) Calendar Day period for a Cluster Study Process; *provided, however*, the period shall be a seventy-five (75) Calendar Day period for the Transition Cluster Study Process.

40.5.4 Submission of Interconnection Request or CRIS-Only Request in Application Window

The ISO will only process an Interconnection Request or CRIS-Only Request that is submitted by an Interconnection Customer during an Application Window, except for CRIS-Only Requests to obtain or increase CRIS that are not subject to a Cluster Study Process. An Interconnection Customer may submit an Interconnection Request or CRIS-Only Request for a project that is subject to the Standard Interconnection Procedures as set forth in Section 40.2.3 to join the Cluster evaluated for that particular Cluster Study Process. To submit an

Interconnection Request or CRIS-Only Request, an Interconnection Customer must satisfy the applicable submission requirements in Section 40.5.5.

40.5.4.1 Contingent Projects

40.5.4.1.1 If a project is participating in a Class Year Study, Cluster Study, Additional SDU Study, or Small Generator facilities study that is ongoing during the Application Window for the next Cluster Study Process ("Pending Project"), then the Interconnection Customer may submit during that Application Window for the next Cluster Study Process an Interconnection Request or CRIS-Only Request for a Cluster Study Project that is the same as its Pending Project (*e.g.*, same technical data, modeling, Point of Interconnection, and site), which project shall be labeled as a "Contingent Project" with its own Queue Position. An Interconnection Customer's submission of a Contingent Project will not replace, or require the withdrawal, of the Interconnection Request or CRIS-Only Request for the Pending Project.

40.5.4.1.2 The Interconnection Customer must satisfy for the Contingent Project all of the same Interconnection Request or CRIS-Only Request requirements set forth in Section 40.5.5 as are required for an entirely new project, including, but not limited to, satisfying the non-refundable Application Fee, Study Deposit, and Site Control requirements.

40.5.4.1.3 The Contingent Project shall be subject to all of the same requirements in the Cluster Study Process as an entirely new project except as otherwise set forth in Sections 40.5.4.1.3.1 to 40.5.4.1.3.4.

40.5.4.1.3.1 If the Pending Project is a Class Year Project or Cluster Study Project only requesting ERIS:

(i) if the Interconnection Customer accepts the SUF Project Cost Allocation or the CTOAF and SUF Project Cost Allocation required for the ERIS for the

Pending Project in the Final Decision Round of the applicable Class Year Study or Cluster Study, then the ISO shall withdraw the Contingent Project, and the Contingent Project shall not be assessed a Withdrawal Penalty for this withdrawal; or

(ii) if the Interconnection Customer withdraws the Pending Project prior to the applicable Final Decision Round or does not accept the cost allocation described in subpart (i), then the Contingent Project shall continue as a Cluster Study Project in the new Cluster Study Process, shall be subject to all of the same requirements in the Cluster Study Process as any other project, including the option to modify its Point of Interconnection pursuant to Section 40.7.2.3, and will be subject to any applicable Withdrawal Penalties if it withdraws or is deemed withdrawn.

40.5.4.1.3.2 If the Pending Project is a Class Year Project or Cluster Study Project only requesting CRIS:

(i) if the Interconnection Customer accepts the SDU Project Cost Allocation or Deliverable MWs for the fully requested CRIS amount for the Pending Project in the Final Decision Round of the later of the applicable Class Year Study, Cluster Study, or Additional SDU Study, then the ISO shall withdraw the Contingent Project, and the Contingent Project shall not be assessed a Withdrawal Penalty for this withdrawal; or

(ii) if the Interconnection Customer withdraws the Pending Project prior to the applicable Final Decision Round, does not accept the cost allocation or Deliverable MWs described in subpart (i), or the Additional SDU Study in which

its Pending Project is participating is not completed, then the Contingent Project shall continue as a CRIS-Only Cluster Study Project in the new Cluster Study Process for purposes of obtaining the megawatts of requested CRIS that it did not obtain in the prior study and shall be subject to all of the same requirements in the Cluster Study Process as any other project, including any applicable Withdrawal Penalties if it withdraws or is deemed withdrawn by the ISO.

40.5.4.1.3.3 If the Pending Project is a Class Year Project or Cluster Study Project requesting both ERIS and CRIS:

(i) if the Interconnection Customer (A) accepts the SUF Project Cost Allocation or the CTOAF and SUF Project Cost Allocation for the ERIS for the Pending Project in the Final Decision Round of the later of the applicable Class Year Study, Cluster Study, or Additional SDU Study, and (B) accepts the SDU Project Cost Allocation or the Deliverable MWs required for the fully requested CRIS amount for the Pending Project in the later of the applicable Class Year Study, Cluster Study, or Additional SDU Study, then the ISO shall withdraw the Contingent Project, and the Contingent Project shall not be assessed a Withdrawal Penalty for this withdrawal; or

(ii) if the Interconnection Customer withdraws the Pending Project prior to the applicable Final Decision Round for ERIS or does not accept the cost allocation described in subpart (i)(A), then the Contingent Project shall continue as a Cluster Study Project in the new Cluster Study Process, shall be subject to all of the same requirements in the Cluster Study Process as any other project, including the option to modify its Point of Interconnection pursuant to Section

40.7.2.3, and will be subject to any applicable Withdrawal Penalties if it withdraws or is deemed withdrawn by the ISO, or

(iii) if: (A) the Interconnection Customer accepts the cost allocation for ERIS as described in subpart (i), but (B) does not accepts the SDU Project Cost Allocation or the Deliverable MWs required for the fully requested CRIS amount described in subpart (i) or the Additional SDU Study in which its Pending Project is participating is not completed, then the Contingent Project shall be converted into a CRIS-Only Cluster Study Project for its evaluation in the Cluster Study Process for the megawatts of requested CRIS not obtained by the Pending Project in the prior study. In such case, the ISO shall, upon Interconnection Customer's request, refund to Interconnection Customer any refundable cash portion of, or coordinate with Interconnection Customer to amend any letter of credit or surety bond for, any Study Deposit amount, Readiness Deposit(s), and Site Control Deposit that the Interconnection Customer provided for the Contingent Project that are not required for a CRIS-Only Cluster Study Project. If Interconnection Customer informs the ISO that it will not proceed as a CRIS-Only Cluster Study Project prior to electing to enter the Phase 1 Study, then the ISO shall withdraw the project, and the project shall not be assessed a Withdrawal Penalty for this withdrawal.

40.5.4.1.3.4 If the Pending Project is a Small Generating Facility subject to a Small Generator facilities study:

(i) if: (A) the facilities study is completed prior to the end of the Application Window for the Transition Cluster Study Process, and (B) the

Interconnection Customer accepts its cost allocation for the System Upgrade Facilities cost allocation following the issuance of the final report in accordance with Section 32.3.5.7 of Attachment Z, then the ISO shall withdraw the Contingent Project, and the Contingent Project shall not be assessed a Withdrawal Penalty; or

(ii) if: (A) the Interconnection Customer withdraws the Pending Project prior to the completion of the facilities study, (B) the Interconnection Customer does not accept the cost allocation for the Pending Project described in subpart (i), or (C) the facilities study for the Pending Project is not completed prior to the end of the Application Window for the Transition Cluster Study Process and is terminated by the ISO, then the Contingent Project shall continue as a Cluster Study Project in the new Cluster Study Process, shall be subject to all of the same requirements in the Cluster Study Process as any other project, including the option to modify its Point of Interconnection pursuant to Section 40.7.2.3, and will be subject to any applicable Withdrawal Penalties if it withdraws or is deemed withdrawn by the ISO.

40.5.5 Submission Requirements for Interconnection Request or CRIS-Only Request

40.5.5.1 To submit an Interconnection Request or CRIS-Only Request, an Interconnection Customer must submit to the ISO the following during, and no later than the close of, the Application Window.

40.5.5.1.1 Interconnection Customer must submit, as applicable, (i) a completed Interconnection Request in accordance with Appendix 1 to these Standard Interconnection Procedures, including the required technical data, modeling, and

conceptual one-line project layout, or (ii) a completed CRIS-Only Request in accordance with Appendix 2 to these Standard Interconnection Procedures.

40.5.5.1.2 Interconnection Customer submitting a CRIS-Only Cluster Study Project must provide documentation demonstrating that it is in service or has completed one of the following, as applicable: a Class Year Study or Cluster Study for ERIS, a completed facilities study for Small Generating Facilities processed under the Small Generator Interconnection Procedures pursuant to Section 40.3.1, or a utility interconnection study if the facility is not subject to the ISO interconnection procedures under Attachment HH.

40.5.5.1.3 Interconnection Customer must submit a non-refundable Application Fee in cash in the amount of $10,000 in accordance with Section 40.2.4.1; *provided, however*, that the Application Fee shall be $5,000 for a CRIS-Only Cluster Study Project. The Application Fee shall be divided between the ISO and Connecting Transmission Owner(s) as follows: 75% allocated to the ISO and 25% allocated to the Connecting Transmission Owner; *provided, however*, that for a CRIS-Only Cluster Study Project, 100% of the Application Fee will be allocated to the ISO.

40.5.5.1.4 Interconnection Customer must submit a Study Deposit in accordance with the requirements in Section 40.2.4 in the following amount based on the size of the proposed Facility in the Interconnection Request: (A) $100,000 for a Facility smaller than 80 MW, (B) $150,000 for a Facility greater than or equal to 80 MW and smaller than 200 MW, or (C) $250,000 for a Facility greater than or equal to 200 MW; *provided, however*, that the Study Deposit amount shall be $50,000 for a CRIS-Only Cluster Study Project. The MW value used to calculate the Study Deposit

amount will be based on the requested ERIS amount at the Point of Interconnection for the Cluster Study Project. The ISO shall hold the Study Deposit for the duration of Interconnection Customer's participation in the Cluster Study Process, subject to the requirements set forth in Sections 40.6.5, 40.7.6, 40.10.9, 40.15.4, 40.15.5, and 40.24.3 to this Attachment HH.

40.5.5.1.5 Except as set forth in Section 40.5.5.1.5.1, Interconnection Customer: (i) must demonstrate with its Interconnection Request through its submission of materials permitted in ISO Procedures full Site Control of the Facility consistent with the acreage and other parameters for the Facility's technology type set forth in ISO Procedures and (ii) include an attestation in the form set forth in ISO Procedures from an officer of the company indicating the amount of acreage covered by these Site Control materials and that such acreage is consistent with the acreage and other parameters for the Facility's technology type set forth in ISO Procedures. If: (i) the Facility is a new technology type not addressed in the ISO Procedures or (ii) the Site Control documentation provided by the Interconnection Customer is for less acreage than required for the Facility's technology type in ISO Procedures, the Interconnection Customer must instead provide under this Section 40.5.5.1.5 an attestation in the form set forth in ISO Procedures from an officer of the company sufficiently describing and explaining the special circumstances of the project that permits a different acreage amount for Site Control than the requirements in the ISO Procedures, along with a licensed professional engineer (electrical or civil) signed and stamped site plan that depicts that the Site Control provided by the Interconnection Customer can support the proposed arrangement of its Facility.

40.5.5.1.5.1 An Interconnection Customer may submit (1) a signed affidavit from an officer of the company indicating that Site Control is unobtainable due to Regulatory Limitations as such term is defined in ISO Procedures; (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 the Regulatory Limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements, and (3) a Site Control Deposit of $10,000 per MW, subject to a minimum of $500,000 and a maximum of $2,000,000 in accordance with the requirements in Section 40.2.4.2. The MW value used to calculate the Site Control Deposit amount will be based on the requested ERIS amount at the Point of Interconnection for the Cluster Study Project.

40.5.5.1.5.2 Interconnection Requests from multiple Interconnection Customers for multiple Generating Facilities that share a site must include a contract or other agreement that allows for shared land use.

40.5.5.1.6 Interconnection Customer must indicate whether the Interconnection Request or CRIS-Only Request shall be studied for Energy Resource Interconnection Service and/or for Capacity Resource Interconnection Service, as further detailed in Section 40.5.6 below.

40.5.5.1.7 Interconnection Customer must specify a single Point of Interconnection for the Interconnection Request, except: (i) for a Cluster Study Transmission Project, or (ii) for a Generating Facility proposing to interconnect at two Points of Interconnection within the same Capacity Region.

40.5.5.1.8 An Interconnection Customer that submitted an Interconnection Request for an inverter-based resource that is greater than 20 MW must submit the form set forth in ISO Procedures concerning the attestations required by NYSRC Reliability Rule B.5.

40.5.5.2 The expected Commercial Operation Date of the new Facility or proposed increase in capacity of the existing Facility provided at the time of the submission of the Interconnection Request shall be no more than ten (10) years from the date the Interconnection Request is received by the ISO. Extensions of Commercial Operation Dates are governed by Section 40.6.3.4.

40.5.5.3 Except as permitted by the Contingent Project rules in Section 40.5.4.1, an Interconnection Customer, or an Interconnection Customer and one of its Affiliates, cannot submit an Interconnection Request for a mutually exclusive Cluster Study Project with projects in the Queue or projects proceeding in the same Application Window.

40.5.5.4 An Interconnection Customer that submits to the ISO a Site Control Deposit due to demonstrated Regulatory Limitations must demonstrate that it is taking identifiable steps to satisfy the necessary regulatory requirements from the applicable federal, state, local and/or tribal entities prior to entering the Phase 2 Study. Such deposit will be held by the ISO until Interconnection Customer provides the required Site Control demonstration for its project in the Cluster Study Process. Interconnection Customers facing qualifying Regulatory Limitations must demonstrate full Site Control within one-hundred eighty (180) Calendar Days of the effective date of the Standard Interconnection Agreement.

40.5.5.5 Interconnection Customer shall promptly inform the ISO of any material change to Interconnection Customer’s demonstration of Site Control under Section 40.5.5.1.5. If the

ISO determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, the ISO shall give Interconnection Customer fifteen (15) Business Days to demonstrate satisfaction with the applicable requirement subject to the ISO's approval. Absent such, the ISO shall deem the Interconnection Request withdrawn pursuant to Section 40.6.4.

40.5.5.6 Interconnection Customer shall submit a separate Interconnection Request for each site unless the Facility is a proposed Facility comprised of multiple Generators behind a single Point of Injection, in which case the Interconnection Customer may submit separate Interconnection Requests or a single Interconnection Request; *provided however,* a multi-unit Facility can only be evaluated under a single Interconnection Request if (1) the Facility is proposed by a single Interconnection Customer; (2) the individual Generators comprising the Facility are co-located behind the same Point of Interconnection; and (3) units in the Facility propose to interconnect at two Points of Interconnection within the same Capacity Region. An Interconnection Customer may submit multiple Interconnection Requests for a single site to the extent permitted by the Site Control requirements in this Attachment HH. The Interconnection Customer must satisfy all Interconnection Request submission requirements for each Interconnection Request even when more than one request is submitted for a single site.

40.5.6 Types of Interconnection Service

40.5.6.1 Two Types of Service

Two types of interconnection service may be requested under the Standard Interconnection Procedures: (1) Energy Resource Interconnection Service for interconnection in compliance with the NYISO Minimum Interconnection Standard; and (2) Capacity Resource

Interconnection Service for interconnection in compliance with the NYISO Deliverability Interconnection Standard.

40.5.6.2 Service Elections, Generally

All Facilities must interconnect in compliance with the NYISO Minimum Interconnection Standard. In addition, Facilities must also comply with the NYISO Deliverability Interconnection Standard before Generating Facilities can become qualified Installed Capacity Suppliers and before Cluster Study Transmission Projects can receive Unforced Capacity Deliverability Rights. An Interconnection Customer initially states its election to be evaluated in the Cluster Study for ERIS alone, or for both ERIS and CRIS, as a part of its Interconnection Request. For Projects comprised of multiple Generators, an Interconnection Customer must request ERIS for the Facility, such ERIS to be allocated among the multiple Generators comprising the Facility as requested by Interconnection Customer in its Interconnection Request; *provided however*, the requested allocation for ERIS for the Intermittent Power Resource in a Co-located Storage Resource cannot exceed the Point of Injection limit plus the full withdrawal capability of the Energy Storage Resource. An existing Generating Facility requesting only CRIS must request CRIS in a Cluster Study or an Expedited Deliverability Study unless it is requesting CRIS pursuant to Section 40.5.6.6.

40.5.6.3 ERIS Elections

A Facility that obtains ERIS, but not CRIS, will not be permitted to become an eligible Installed Capacity Supplier to receive Unforced Capacity Deliverability Rights. Such a Facility will be eligible to participate only in the Energy and applicable Ancillary Services markets. When an Interconnection Customer elects ERIS, its project will be evaluated in the Cluster Study at full output (i.e., the maximum capacity the Facility is capable of injecting at the Point of

Interconnection), unless the Interconnection Customer requests ERIS below the full Generating Facility Capacity of a Generating Facility or full facility capacity for a Cluster Study Transmission Project. If the Interconnection Customer requests ERIS below the full Generating Facility Capacity of the Facility, the ISO shall study the Facility at the requested ERIS for purposes of Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and associated costs. However, if the maximum capacity that the Facility is capable of injecting at the Point of Interconnection is limited (i.e., through the use of control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the ISO's and Connecting Transmission Owner's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the New York State Transmission System (or Distribution System as applicable). If the ISO and Connecting Transmission Owner do not agree with the proposed manner to limit output, then the Interconnection Customer can either withdraw its Interconnection Request or modify its Interconnection Request to specify the maximum capacity that the Facility is capable of injecting into the New York State Transmission System (or Distribution System as applicable) without such limitations. The ISO and Connecting Transmission Owner, based on Good Utility Practice and related engineering considerations and after accounting for any control technology proposed by the Interconnection Customer, may require further studies of the Facility at its full output to ensure the safety and reliability of the New York State Transmission System (or Distribution System as applicable), with the additional study costs borne by the Interconnection Customer. The ISO and Connecting Transmission Owner shall provide the Interconnection Customer with an explanation of its determination to perform studies at the Facility's full capacity before

beginning such studies. If the ISO and Connecting Transmission Owner determine that additional System Upgrade Facilities are necessary after the additional studies are complete, the ISO and Connecting Transmission Owner must: (1) specify which additional System Upgrade Facilities costs are based on which studies; and (2) provide a detailed explanation of why the additional System Upgrade Facilities are necessary. The Interconnection Customer may be responsible for additional System Upgrade Facilities and/or additional control technologies, as well as testing and validation of those technologies consistent with Article 6 of its Standard Interconnection Agreement. The necessary control technologies and protection systems, as well as any potential penalties for exceeding the level of ERIS established in the executed, or requested to be filed unexecuted, Standard Interconnection Agreement, shall be set forth in Appendix C of the executed, or requested to be filed unexecuted, Standard Interconnection Agreement.

When an Interconnection Customer interconnects under ERIS only, the Interconnection Customer may at a later date request CRIS in accordance with the Standard Interconnection Procedures.

40.5.6.4 CRIS Elections

When an Interconnection Customer requests CRIS, the amount of CRIS requested shall be stated in MW of Installed Capacity ("ICAP"), and cannot exceed the permissible levels set forth in Section 40.5.6.5. When an Interconnection Customer elects CRIS, the ISO will evaluate the deliverability of the Facility by applying the test methodology described in Section 40.13; *provided*, *however*, requests for CRIS for a Facility 2 MW or smaller or for an increase in CRIS permitted by Section 40.5.6.6 will not evaluated for deliverability under the NYISO Deliverability Interconnection Standard. The ISO will apply this test methodology to identify

the System Deliverability Upgrades, if any, needed to make the Facility deliverable at its requested CRIS MW level and will also identify the MW of Installed Capacity, if any, that are deliverable from the Facility with no System Deliverability Upgrades. A Facility electing CRIS will be able to become a qualified Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights to the extent of its deliverable capacity, once it has paid cash or provided Security for any required System Deliverability Upgrades in accordance with the relevant provisions of Attachment HH to the ISO OATT. An Interconnection Customer qualifying for CRIS will have two CRIS values: one for the summer capability period and one for the winter capability period. The CRIS value, in MW of Installed Capacity, for the summer capability period will be set using the deliverability test methodology and procedures described in Section 40.13 of this Attachment HH. The CRIS value for the winter capability period, also in MW of Installed Capacity, will be set in accordance with Section 40.13.6 of this Attachment HH.

40.5.6.5 Maximum Requested CRIS

The maximum permissible MW of CRIS an Interconnection Customer may request are subject to the following limitations:

(i) if the Facility is a proposed BTM:NG Resource, the requested MW level of CRIS cannot exceed its Net ICAP;

(ii) if the Facility is a proposed Resource with Energy Duration Limitations, the requested MW level of CRIS cannot exceed the minimum of the following: (a) its expected maximum injection capability in MW for the Interconnection Customer-selected duration; (b) the nameplate capacity of the Project (i.e., injection capability of the Project expressed in MW); or (c) the sum of the Project's requested and existing ERIS, as applicable;

(iii) if the Facility is a Cluster Study Transmission Project requesting External-to-ROS Deliverability Rights, the requested MW level of CRIS cannot exceed the anticipated increase in transfer capability created by its associated Cluster Study Transmission Project;

(iv) if the Facility is comprised of multiple Generators of the same or different technology type (*e.g.*, Co-located Storage Resource or single technology facility with multiple units, each proposed to be assigned a single PTID), the requested MW level of CRIS must be requested at the Facility level (i.e., corresponding to the Facility as described in the Interconnection Request or CRIS-Only Request, as applicable), and shall be allocated among the multiple Generators, as requested by Interconnection Customer; provided, however, the requested MW level of CRIS cannot exceed the minimum of the following: (a) the expected maximum injection capability in MW for the Facility as described in the Interconnection Request or CRIS-Only Request, as applicable, including all co-located Generators sharing the same injection limit (*e.g.*, the entire Distributed Energy Resource, the entire Co-located Storage Resource or the entire multi-unit single technology resource); *provided, however*, if the Project includes a Resource with Energy Duration Limitation, its expected maximum injection capability in MW is limited by the Interconnection Customer-selected duration); (b) the nameplate capacity of the Facility (i.e., collective injection capability of all units within the proposed Facility expressed in MW); or (c) the sum of the Facility's requested and existing ERIS, as applicable; and

(v) if the above subsections do not apply to the Facility, the requested MW level of CRIS cannot exceed the nameplate capacity of the Facility.

For existing facilities proposing a modification to add a Generator of the same or different technology co-located at the same Point of Interconnection for which the Interconnection Customer requests CRIS, the collective CRIS of the resources within what will be the modified facility (*e.g.*, the resulting Co-located Storage Resource or Distributed Energy Resource) cannot exceed the injection limit of the co-located units. For a Facility that requests CRIS for part of a multi-unit facility, after combining with another existing or proposed co-located facility, the requested MW level of CRIS cannot exceed the permissible levels of CRIS that may have been requested pursuant to this Section 40.5.6.5 for the entire co-located Facility.

40.5.6.6 Increases In Established CRIS Values

Any facility with an established CRIS value may at a later date request an increase in CRIS not to exceed the levels permitted by Section 40.5.6.5 of Attachment HH. An increase in CRIS may be requested by submitting (1) a CRIS-Only Request; (2) an Expedited Deliverability Study Request; or (3) a request for up to 2 MW of CRIS during the operating life of a facility in accordance with ISO Procedures, such request not being subject to a deliverability evaluation in a Cluster Study or Expedited Deliverability Study; *provided, however*, such request is subject to the limitations on permissible CRIS MW levels set forth in Section 40.5.6.5 of this Attachment HH, and, for facilities comprised of multiple Generators, this CRIS request is permitted only at the facility level, not at the individual Generator level. A Project that receives a CRIS increase pursuant to this Section 40.5.6.6, to the extent it later combines with another Generator(s) to become a co-located resource (*e.g.*, Co-located Storage Resources or a Distributed Energy Resource), is not eligible for any additional CRIS increase above a single increase up to 2 MW,

without proceeding through a deliverability evaluation in a Cluster Study or Expedited Deliverability Study.

For purposes of this Section 40.5.6.6, an "established CRIS value" for facilities subject to a CRIS set and reset period pursuant to Section 40.18.2.5.4, Section 40.18.2.6.1.1, Section 40.18.2.6.1.2, Section 40.18.2.7.2, or Section 40.18.2.7.3 of Attachment HH to the ISO OATT is the final CRIS value established after the termination of the CRIS set and reset period.

40.5.7 Validation of Interconnection Request or CRIS-Only Request

40.5.7.1 Acknowledgment and Assessment of Interconnection Request or CRIS-Only Request

40.5.7.1.1 Within ten (10) Business Days of the ISO's receipt of an Interconnection Request or CRIS-Only Request submission within an Application Window that includes all of the items required for such request set forth in Section 40.5.5 above (or within fifteen (15) Business Days for the Transition Cluster Study Process), the ISO shall:

(i) acknowledge receipt of the received Interconnection Request or CRIS-Only Request;

(ii) confirm whether all of the elements of the Interconnection Request or CRIS-Only Request comply with the requirements in Section 40.5.5; except that for purposes of the validation, the ISO will not review for deficiencies: (i) the Facility model, for which any deficiencies will be addressed pursuant to Section 40.5.7.4, and (ii) any Transmission Owner-specific information submitted by the Interconnection Customer pursuant to Section 40.5.7.3, which information will be reviewed by the applicable Transmission Owner pursuant to Section 40.5.7.3;

(iii) confirm receipt of the Interconnection Customer's payment of the Application Fee and Study Deposit;

(iv) identify the Connecting Transmission Owner(s) with which the Facility is proposing to connect and any Affected Transmission Owner(s) that the ISO is aware of;

(v) make available the information submitted with the Interconnection Request or the CRIS-Only Request and its acknowledgement to the Connecting Transmission Owner(s) and any identified Affected Transmission Owner(s) for their confirmation within the ISO's review period that they are the appropriate Connecting Transmission Owner or Affected Transmission Owner for the Interconnection Request or CRIS-Only Request;

(vi) if the Interconnection Request is to interconnect to a distribution facility, consult with the Connecting Transmission Owner to determine whether the Standard Interconnection Procedures apply; and

(vii) notify Interconnection Customer whether the Interconnection Request or CRIS-Only Request is valid or includes any deficiencies.

40.5.7.1.2 Cluster Study Agreement

40.5.7.1.2.1 As soon as practicable after the ISO determines in the Application Window that an Interconnection Request or CRIS-Only Request is valid or within ten (10) Business Days of the ISO making this determination in the Customer Engagement Window, the ISO will tender an executable version of the Cluster Study Agreement for that Interconnection Request or CRIS-Only Request in the form set forth in Appendix 3 to this Attachment HH to the Interconnection Customer, the Connecting Transmission

Owner(s), and any identified Affected Transmission Owner(s) or Affected System Owners.

40.5.7.1.2.2 The Interconnection Customer, Connecting Transmission Owner(s), and any Affected Transmission Owner(s) or Affected System Operator(s) must execute the Cluster Study Agreement within ten (10) Calendar Days of the NYISO's tender of the agreement.

40.5.7.1.2.3 If the ISO subsequently identifies additional or other Connecting Transmission Owner(s), Affected Transmission Owner(s), or Affected System Operator(s) for the Interconnection Request or CRIS-Only Request, the ISO will tender as soon as practicable an amended version of the Cluster Study Agreement, which the parties must execute within ten (10) Calendar Days of the NYISO's tender of the agreement.

40.5.7.2 Addressing Deficiencies in Interconnection Request or CRIS-Only Request

40.5.7.2.1 An Interconnection Request or CRIS-Only Request will not be considered to be a valid request until all items in Section 40.5.5 have been received during the Application Window and confirmed by the ISO. If an Interconnection Request or CRIS-Only Request fails to meet the requirements set forth in Section 40.5.5, the ISO shall notify the Interconnection Customer and Connecting Transmission Owner within the time period set forth in Section 40.5.7.1 of the reasons for such failure and that the Interconnection Request or CRIS-Only Request does not constitute a valid request.

40.5.7.2.2 The Interconnection Customer shall provide to the ISO the information required to address a deficiency identified by the ISO in accordance with Section 40.5.7.2.1 or this Section 40.5.7.2.3 within ten (10) Business Days after receipt of such notice (or within

fifteen (15) Business Days for the Transition Cluster Study Process), but no later than the close of the Application Window. The Interconnection Customer's submission shall be limited to addressing the identified deficiency(ies). Within ten (10) Business Days of an Interconnection Customer's submission of the additional information concerning the identified deficiency (or within fifteen (15) Business Days for the Transition Cluster Study), the ISO will review the Interconnection Customer's submitted information and, if it determines the identified deficiency has not been addressed, will notify the Interconnection Customer of the remaining deficiency, which the Interconnection Customer must address in accordance with this Section 40.5.7.2.2. The ISO shall promptly forward such additional information provided by the Interconnection Customer to the Connecting Transmission Owner and Affected Transmission Owner.

40.5.7.2.3 If the ISO determines that Interconnection Customer's Interconnection Request or CRIS-Only Request is valid or that the Interconnection Customer has addressed any deficiencies identified by the ISO within the timeframe set forth in Section 40.5.7.2.2, the ISO shall notify the Interconnection Customer that the Interconnection Request or CRIS-Only Request is valid, and such Interconnection Request or CRIS-Only Request shall proceed as part of the ISO's Queue for further processing pursuant to the procedures in this Attachment HH. If Interconnection Customer fails to submit additional information required by the ISO within the timeframe set forth in Section 40.5.7.2.2 or fails to fully address any deficiencies in its Interconnection Request or CRIS-Only Request prior to the completion of the Application Window, the ISO shall deem the Interconnection Request or CRIS-Only Request withdrawn pursuant to Section 40.6.4 (without the cure period provided in Section 40.6.4). Notwithstanding the ISO's validation of an Interconnection Request, an Interconnection Customer for that Interconnection Request must also satisfy the requirements for any Transmission Owner-specific

technical information in accordance with the requirements in Section 40.5.7.3 and any subsequent information requests in accordance with the requirements in Section 40.5.7.4.

40.5.7.3 Transmission Owner Review of Interconnection Customer's Submission of Transmission Owner-Specific Technical Information

40.5.7.3.1 Within ten (10) Business Days of the ISO's notification to the Interconnection Customer that the Interconnection Request for its Cluster Study Project is validated pursuant to Section 40.5.7.2.3, the Interconnection Customer must submit to the Connecting Transmission Owner and Affected Transmission Owner identified for its Cluster Study Project any technical information requested by the Transmission Owner for purposes of Connecting Transmission Owner's and/or Affected Transmission Owner's performance of the Phase 1 Study.

40.5.7.3.2 The Transmission Owner shall review Interconnection Customer's submission of the information submitted pursuant to Section 40.5.7.3.1 and shall identify any deficiencies within fourteen (14) Calendar Days of the Interconnection Customer's provision of such information in accordance with Section 40.5.7.3.1 and within ten (10) Calendar Days of any additional information submission by the Interconnection Customer pursuant to Section 40.5.7.3.3. The Transmission Owner's review of this information request is separate from the ISO's review of the validity of the Interconnection Request.

40.5.7.3.3 If the Transmission Owner identifies any deficiency, Interconnection Customer shall provide additional information to the Transmission Owner to cure such deficiency within ten (10) Calendar Days.

40.5.7.3.4 If the ISO, in consultation with the Connecting Transmission Owner or Affected Transmission Owner, determines that Interconnection Customer has not cured a deficiency in the Transmission Owner-specific information prior to five (5) Business Days of the

scheduled conclusion of the Customer Engagement Window, the Interconnection Request shall be withdrawn pursuant to Section 40.6.4 (without the cure period provided in Section 40.6.4).

40.5.7.4 Subsequent Information Request

At any time following the ISO's validation of an Interconnection Request or CRIS-Only Request, if the ISO, Connecting Transmission Owner, or Affected Transmission Owner finds: (i) that the technical data provided by Interconnection Customer, including the Facility model, is incomplete or contains errors or (ii) that it requires additional information from Interconnection Customer to perform its responsibilities required under this Attachment HH, then such entity shall request that Interconnection Customer provide such information. Interconnection Customer shall submit such information within ten (10) Business Days of the information request. If Interconnection Customer: (i) fails to timely submit the requested information or (ii) does not address any deficiencies with its Facility model prior to the Scoping Meeting in the Customer Engagement Window, the Interconnection Customer's Interconnection Request or CRIS-Only Request shall be withdrawn from the Queue.

40.5.8 OASIS Posting

40.5.8.1 The ISO will maintain on its OASIS or a publicly accessible portion of its website a list of all valid Interconnection Requests and CRIS-Only Requests. The list will identify, for each Interconnection Request or CRIS-Only Request, as applicable: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected Initial Backfeed Date, Synchronization Date and Commercial Operation Date; (v) the status of the Interconnection Request or CRIS-Only Request, including Queue Position; (vi) the identity of the Interconnection Customer; (vii) the availability of any studies related to the

Interconnection Request or CRIS-Only Request; (viii) the date of the Interconnection Request; (ix) the type of Facility to be constructed; and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The ISO shall also post any known deviations in date proposed by the Facility in this Section 40.5.8.1(iv), above. Phase 1 Study reports, the Phase 1 Cost Estimate Summary Report, and the Cluster Study Report shall be posted to the ISO password-protected website as soon as practicable following the conclusion, as applicable, of the Phase 1 Study or Phase 2 Study.

40.6 Queue Position/ Modification/ Withdrawal/ Withdrawal Penalties

40.6.1 Queue Position

40.6.1.1 Assignment of Queue Position

The ISO shall assign a Queue Position for an Interconnection Customer's Interconnection Request or CRIS-Only Request based upon the date and time of the ISO's receipt during the Application Window of the Interconnection Customer's complete submission of an Interconnection Request or CRIS-Only Request pursuant to Sections 40.5.4 and 40.5.5. If the ISO validates the Interconnection Request or CRIS-Only Request pursuant to Section 40.5.7, then the Interconnection Request or CRIS-Only Request shall retain its assigned Queue Position based on the date and time the submission was originally filed.

40.6.1.2 Higher Queue Position

A higher "Queue Position" assigned to an Interconnection Request or CRIS-Only Request is one that has been placed "earlier" in the Queue in relation to another Interconnection Request or CRIS-Only Request that is assigned a lower Queue Position. All Interconnection Requests and CRIS-Only Requests submitted and validated in a single Application Window that are a part of a single Cluster for the Cluster Study Process shall be considered equally queued as between the Interconnection Requests and CRIS-Only Requests within the same Cluster; *provided, however,* that an Interconnection Request's individual Queue Position will be used to determine priority as between Interconnection Requests in the same Cluster in the event of a Physical Infeasibility determination as set forth in Section 40.7.3. Interconnection Requests and CRIS-Only Requests that are part of a particular Class Year Study or Cluster Study shall be considered to have a higher Queue Position than Interconnection Requests and CRIS-Only Requests that are part of a subsequent Cluster Study.

40.6.2 Transferability of Queue Position

An Interconnection Customer may transfer its Queue Position for its Interconnection Request or CRIS-Only Request to another entity only if: (i) such entity acquires the specific Facility identified in the Interconnection Request or CRIS-Only Request, (ii) the Point of Interconnection does not change, (iii) for an Interconnection Request, the acquiring entity demonstrates Site Control for its Project, (iv) the transferring Interconnection Customer is up-to-date on payments to the ISO, and (v) the acquiring entity submits any deposits required for its Interconnection Request or CRIS-Only Request under this Attachment HH. As a result of such a transfer, the acquiring entity shall become the Interconnection Customer of the specific Facility identified in the Interconnection Request or CRIS-Only Request. After such transfer, the ISO will refund to the transferring Interconnection Customer any refundable cash portion of the Study Deposit, Readiness Deposit(s), or Site Control Deposit or provide written authorization for Interconnection Customer to request that the bank cancel any remaining letter of credit or surety bond provided as a deposit.

40.6.3 Modifications

An Interconnection Customer may request an ISO determination as to whether an Interconnection Customer's proposed modification to any information provided in the Interconnection Request or CRIS-Only Request for its project is permitted or is a Material Modification by submitting to the ISO: (i) a Facility Modification Request in the form of Appendix 5 to these Standard Interconnection Procedures, (ii) a study deposit in cash in the amount of $10,000, and (iii) any supporting information or documentation required under this Section 40.6.3; *provided, however,* that an Interconnection Customer is not required to provide a study deposit to submit a permitted extension of its Commercial Operation Date pursuant to

Section 40.6.3.4, a change to its Point of Interconnection pursuant to Section 40.6.3.1, a name change for the Cluster Study Project, or a name change for the Interconnection Customer. Any proposed modification to any information provided in the Interconnection Request or CRIS-Only Request must be accompanied by any resulting updates to the models included in such requests to the extent required in the Facility Modification Request. Except as otherwise provided in Section 40.6.3.1, an Interconnection Customer cannot request a modification to the information provided in its Interconnection Request or CRIS-Only Request for its Cluster Study Project during the Application Window until the completion of the later of the Final Decision Period or Additional SDU Study Decision Period in which its Cluster Study Project is participating. Except as otherwise indicated in Section 40.6.3.1, the Interconnection Customer shall retain its Queue Position if its requested modification is permitted in accordance with Sections 40.6.3.4 or is determined not to be Material Modifications pursuant to this Section 40.6.3.

40.6.3.1 Within five (5) Business Days after the ISO posts the Cluster Study Project List during the Customer Engagement Window pursuant to Section 40.7.2, the Interconnection Customer may propose a modification to the Point of Interconnection in its Interconnection Request in accordance with the requirements in Section 40.7.2.3 to this Attachment HH.

40.6.3.2 Upon the ISO's receipt of an Interconnection Customer's Facility Modification Request, the ISO shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the ISO commence such studies later than thirty (30) Calendar Days after receiving Interconnection Customer's complete Facility Modification Request; *provided, however*, that: (i) the ISO will not perform a study for a proposed modification to a Point of

Interconnection pursuant to Section 40.6.3.1; (ii) for a modification subject to the Commercial Operation Date extension requirements in Section 40.6.3.5, the ISO and Connecting Transmission Owner shall assess the proposed modification in accordance with the requirements in 40.6.3.5; and (iii) for a proposed technological change pursuant to Section 40.6.3.7, the ISO shall assess the proposed modification in accordance with the requirements in Section 40.6.3.7. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost in accordance with the requirements in 40.24.3.

40.6.3.3 Prior to making any modification other than those specifically permitted by Section 40.6.3.4, Interconnection Customer shall first request that the ISO evaluate whether such modification is a Material Modification in accordance with the requirements in this Section 40.6.3. In response to Interconnection Customer's request, the ISO shall evaluate the proposed modifications, including performing any studies required by this Section 40.6.3, prior to making them and inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection except the change deemed acceptable under Section 40.6.3.1 or so allowed elsewhere shall constitute a Material Modification. Any change in requested CRIS from the requested CRIS set forth in the Interconnection Request or CRIS-Only Request or any request for CRIS not included in the Interconnection Request (*i.e.*, if the Interconnection Request included only a request for ERIS) or CRIS-Only Request shall constitute a Material Modification. Except as otherwise set forth in Section 40.6.3.1 above, any modification to a

Cluster Study Project during a Cluster Study Process for which it is a member of the Cluster shall constitute a Material Modification. For proposed modifications deemed to be Material Modifications, the Interconnection Customer may withdraw the proposed modification request or proceed with a new Interconnection Request or CRIS-Only Request in a subsequent Cluster Study Process for such modification.

40.6.3.4 Extensions of the proposed Commercial Operation Date will not be Material Modifications if the proposed Commercial Operation Date is within four (4) years from the following date:

40.6.3.4.1 For all Facilities that participated in a Cluster Study Process, the date the Interconnection Customer and all other Interconnection Customers remaining in the Final Decision Period for the Cluster Study provided the required cash or Security in the Final Decision Round of the Final Decision Period (i.e., the completion of the Cluster Study).

40.6.3.4.2 For all Large Facilities and for Small Generating Facilities that participated in a Class Year Interconnection Facilities Study subject to Attachment S to the ISO OATT, the date the Interconnection Customer and all other Interconnection Customers remaining in the Class Year provided the required cash or Security as part of a Class Year Interconnection Facilities Study (*i.e.*, completion of the Class Year).

40.6.3.4.3 For Small Generating Facilities that were subject to the Small Generator Interconnection Procedures in Attachment Z to the ISO OATT and did not

participate in a Class Year Interconnection Facilities Study or Cluster Study, the date the ISO tendered the SGIA to the Interconnection Customer.

40.6.3.5 An Interconnection Customer may request an extension of its Commercial Operation Date beyond the limit specified in Section 40.6.3.4 or beyond the limit of a previous extension that the ISO determined was not a Material Modification. Such request for an extension will not be a Material Modification only if the ISO determines that all three components of the extension requirements set forth in Sections 40.6.3.5.1, 40.6.3.5.2, and 40.6.3.5.3 have been met.

40.6.3.5.1 An Interconnection Customer must satisfy the first component of the extension requirements by meeting the requirements set forth in Section 40.6.3.5.1.1, 40.6.3.5.1.2, or 40.6.3.5.1.3 for an extension of its Commercial Operation Date.

40.6.3.5.1.1 Interconnection Customer's requested extension of its Commercial Operation Date for its Facility is on or before May 2, 2028; or

40.6.3.5.1.2 Interconnection Customer demonstrates (via an officer certification) that both: (i) its Facility cannot meet the timeframe in Section 40.6.3.4 or a previously granted extension due to: (A) its technology type, or (B) the sequencing of work on the transmission or distribution system that is beyond its control (e.g., unavailability of required system outages, delays in the completion of facilities included in the base case of the Small Generator facilities study, Class Year Study, or Cluster Study for the Facility that are required for the Facility to enter Commercial Operation at the Point of

Interconnection), and (ii) its project is still progressing to the extent reasonably possible; or

40.6.3.5.1.3 An Interconnection Customer demonstrates (via an officer certification) that it has made reasonable progress in the development of its project against milestones set forth in the Interconnection Agreement or Section 40.6.3.5.2 (*e.g.*, (i) completion of engineering design, (ii) major equipment orders, (iii) commencement and continuation of construction of the Facility and associated Attachment Facilities, Distribution Upgrades, or System Upgrade Facilities, as applicable, (iv) completion of applicable permitting process, (v) application of the applicable primary siting permitting process deemed complete with demonstration that project is on course to obtain final permit in time to meet requested Commercial Operation Date).

40.6.3.5.1.4 Upon the ISO's request, an Interconnection Customer shall promptly provide the ISO with information concerning its demonstration that its project is progressing to the extent reasonably possible pursuant to Section 40.6.3.5.1.2 or has made reasonable progress pursuant to Section 40.6.3.5.1.3.

40.6.3.5.1.5 An Interconnection Customer that relied on its satisfaction of certain milestones to extend its Commercial Operation Date in accordance with the requirements in this Section 40.6.3.5.1 must demonstrate satisfaction of additional milestones for any subsequent requested extensions.

40.6.3.5.2 As the second component of the extension requirements, Interconnection Customer must also provide the ISO with a milestone schedule for the interconnection of the Project that it has agreed upon with the Connecting

Transmission Owner that meets the requested extended Commercial Operation Date. The Connecting Transmission Owner's agreement to the revised milestone schedule shall not be unreasonably withheld.

40.6.3.5.3 As the third component of the extension requirements, the ISO, in consultation with the Connecting Transmission Owner or Affected Transmission Owner, must either determine that: (i) a Cost Estimate Update is not required to update the cost estimates of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, or System Upgrade Facilities identified in the Small Generator facilities study, Class Year Study, or Cluster Study for the Facility, or (ii) if the ISO, in consultation with the Connecting Transmission Owner or Affected Transmission Owner, determines that a Cost Estimate Update is required, the Interconnection Customer must agree in writing that the Cost Estimate Update be performed, that it will be responsible for the costs of such evaluation, and that its extended Commercial Operation Date shall be subject to its acceptance of, and its posting of any additional Security, of any increase in the cost estimate as described in Section 40.6.3.5.3.3.

40.6.3.5.3.1 To determine whether a Cost Estimate Update is required and when such study will be performed, the ISO, in consultation with the Connecting Transmission Owner and/or any Affected Transmission Owner(s), will consider the requested length of the extension, the duration in time since the cost estimates were determined in a Small Generator facilities study, Class Year Study, or Cluster Study, the updated milestone schedule for the Project

agreed upon by the Interconnection Customer and Connecting Transmission Owner, and whether the interconnection facilities are shared with other projects. If the ISO determines, in consultation with the Connecting Transmission Owner and/or any Affected Transmission Owner(s), that a Cost Estimate Update is required, the ISO will provide the Interconnection Customer its basis for requiring such update. The need and timeframe for the update will be included in the interconnection agreement or an amended version of the interconnection agreement for the project, unless the Cost Estimate Update will be performed prior to the execution, or the unexecuted filing, of the interconnection agreement.

40.6.3.5.3.2 The Connecting Transmission Owner or Affected Transmission Owner will perform, at Interconnection Customer's expense, any Cost Estimate Update agreed upon with the Interconnection Customer to update the cost estimates of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, or System Upgrade Facilities identified in the Small Generator facilities study, Class Year Study, or Cluster Study for the Facility. If the Connecting Transmission Owner or Affected Transmission Owner determines that equipment identified in the applicable interconnection study for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, or System Upgrade Facilities for Interconnection Customer's project is no longer available, the Connecting Transmission Owner or Affected Transmission Owner may, as part of its Cost

Estimate Update, identify and provide the cost estimate for any replacement equipment.

40.6.3.5.3.3 If the Cost Estimate Update identifies revised cost estimates, including for any replacement equipment, the Interconnection Customer will only be permitted to proceed with its requested Commercial Operation Date extension if it accepts within ten (10) Business Days of the conclusion of the Cost Estimate Update its cost allocation for, and provides cash or posts Security to, the Connecting Transmission Owner for, the revised cost estimates. In such case, the updated cost estimates will be included in the interconnection agreement for the project. If the project has an effective interconnection agreement, the parties will amend the agreement to include this information. Any updated cost estimate and Security provided in accordance with this section shall be subject to the Security forfeiture requirements in Section 40.16.1 and the requirements for future cost responsibility set forth in Section 40.16.3.

40.6.3.6 As soon as it becomes apparent to Interconnection Customer that the most recent proposed Initial Backfeed Date posted on the Queue is infeasible, and also prior to the expiration of the proposed Initial Backfeed Date posted on the ISO Queue, Interconnection Customer is obligated to provide the ISO with notice of any proposed extensions of the proposed Initial Backfeed Date, proposed Synchronization Date, or proposed Commercial Operation Date.

40.6.3.7 Technological Change Procedure. A technological change that satisfies the definition of a Permissible Technology Advancement or that the ISO

determines is not a Material Modification under this Technological Change Procedure is a permissible modification that will not result in an Interconnection Customer losing its Queue Position if it elects to proceed with the requested modification.

40.6.3.7.1 An Interconnection Customer seeking to modify its proposed Facility based upon a change to the turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Customer's Interconnection Request shall submit, in accordance with Section 40.6.3, a Facility Modification Request, study deposit, and any support relied on by the Interconnection Customer to show that the change is a Permissible Technological Advancement or not a Material Modification. Upon receipt of a Facility Modification Request that identifies a request for a technological change, the ISO, in consultation with the Connecting Transmission Owner(s) to the extent practicable, shall first conduct a review of the technological change and supporting information to determine whether such change constitutes a Permissible Technological Advancement. The ISO shall commence such review within thirty (30) Calendar Days after receiving notice of Interconnection Customer's complete Facility Modification Request. If the Facility Modification Request demonstrates that the proposed technological change satisfies the definition of Permissible Technological Advancement and does not result in a change to the electrical characteristics that is (i) greater than two (2) percent voltage drop at the Point of Interconnection or (ii) greater than 100 amperes short circuit contribution, then no additional study is required and

the technological change shall constitute a Permissible Technological Advancement.

40.6.3.7.2 If the ISO identifies that additional studies are required to determine whether the technological change constitutes a Permissible Technological Advancement, the ISO shall commence and perform any necessary studies to determine whether the electrical performance is equal or better than the electrical performance prior to the technological change and it does not result in adverse reliability concerns. Such additional studies shall be identified and performed based on the ISO's engineering judgment and at the Interconnection Customer's expense. If the Interconnection Customer fails to provide information or data that is required by the ISO to conduct the additional studies, the ISO shall reject the requested technological change; however, the Interconnection Customer may resubmit a Facility Modification Request for the same technological change with the required information.

40.6.3.7.3 If the ISO concludes that the requested technological change does not constitute a Permissible Technological Advancement after completing the additional studies, the ISO shall review whether the technological change would constitute a Material Modification consistent with Section 40.6.3 of this Attachment HH.

40.6.3.7.4 The ISO will complete its review and any additional studies required under this Technological Change Procedure in accordance with the requirements in Section 40.6.3.2. Following completion of the ISO's review and any additional studies, the ISO shall describe the studies that were conducted, if any.

40.6.4 Withdrawal

40.6.4.1 The Interconnection Customer may withdraw its Interconnection Request or CRIS-Only Request at any time by written notice of such withdrawal to the ISO. In addition, if the Interconnection Customer fails to adhere to all requirements of these Standard Interconnection Procedures, except as provided in Section 40.24.5 (Disputes), the ISO shall deem the Interconnection Request or CRIS-Only Request to be withdrawn and shall provide written notice to the Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have a cure period of fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify the ISO of its intent to pursue Dispute Resolution; except that:

(i) for a failure to timely make a payment or submit or maintain a deposit required by Attachment HH, an Interconnection Customer shall have a ten (10) Business Day cure period to submit payment or deposit in an acceptable form to the ISO, and

(ii) the cure period set forth in this Section 40.6.4.1 does not extend specific deadlines set forth in Section 40.5.7.2 for an Interconnection Customer to cure a deficiency in its Interconnection Request or CRIS-Only Request identified by the ISO or in Section 40.5.7.3.3 for an Interconnection Customer to cure a deficiency in its submission of the required Transmission Owner-specific information.

40.6.4.2 Withdrawal shall result in the loss of the Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the Interconnection Customer's Interconnection Request or CRIS-Only 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 or CRIS-Only Request shall pay to the ISO and Connecting Transmission Owner all costs that the ISO and Connecting Transmission Owner prudently incurred with respect to that Interconnection Request or CRIS-Only Request prior to the receipt of notice described above. The Interconnection Customer must pay all monies due to the ISO and Connecting Transmission Owner before it is allowed to obtain any Cluster Study data or results.

40.6.4.3 If Interconnection Customer withdraws its Interconnection Request or CRIS-Only Request, or is deemed withdrawn by the ISO, pursuant to this Section 40.6.4, the ISO shall (i) update the OASIS Queue posting to remove the Queue Position for the Interconnection Request or CRIS-Only Request, and (ii) conduct a final reconciliation of Interconnection Customer's costs and any applicable Withdrawal Penalties and follow the process set forth in 40.24.3 for returning or cancelling deposits. The ISO shall also refund to the Interconnection Customer the refundable cash portion of the Interconnection Customer's Site Control Deposit, if applicable, or provide written authorization for Interconnection Customer to request that the bank cancel any remaining letter of credit or surety bond provided as a deposit.

40.6.4.4 In the event of such withdrawal, the ISO and Connecting Transmission Owner, subject to non-disclosure arrangements consistent with Section 40.24.1, shall provide, at Interconnection Customer's request, supporting documentation, workpapers, and databases or data that the ISO and Connecting Transmission Owner developed in the preparation of the applicable study conducted up to the date of withdrawal of the Interconnection Request or CRIS-Only Request.

40.6.5 Withdrawal Penalties

40.6.5.1 Interconnection Requests and CRIS-Only Requests Subject to Withdrawal Penalties

40.6.5.1.1 If an Interconnection Customer withdraws its Interconnection Request or CRIS-Only Request, or such Interconnection Request or CRIS-Only Request is deemed withdrawn by the ISO, either during the Application Window or during the Customer Engagement Window up to five (5) Business Days after the ISO posts the Cluster Study Project List in the Customer Engagement Window pursuant to Section 40.7.2.2, the Interconnection Request or CRIS-Only Request shall not be subject to a Withdrawal Penalty.

40.6.5.1.2 If an Interconnection Customer withdraws its Interconnection Request or CRIS-Only Request, or such Interconnection Request or CRIS-Only Request is deemed withdrawn by the ISO, after the periods sets forth in Sections 40.6.5.1.1, the Interconnection Request or CRIS-Only Request may be subject to a Withdrawal Penalty as determined based on when in the Cluster Study Process the Interconnection Request or CRIS-Only Request withdraws or is deemed withdrawn by the ISO as detailed in Sections 40.7.6, 40.10.9, and 40.15.5 to this Attachment HH. If the Interconnection Customer has accepted its Project Cost Allocation and paid cash or posted Security in the Final Round of the Final Decision Period or Additional SDU Study Decision Period for any required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrades Facilities, and/or System Deliverability Upgrades, the Interconnection Customer's Security will be subject to the forfeiture requirements in Section 40.16.1.

40.6.5.2 Distribution of Withdrawal Penalties

40.6.5.2.1 For each Cluster Study Process, the ISO shall hold all Withdrawal Penalty Funds that it has collected from any Cluster Study Project(s) participating in the Cluster for that study that withdraw or are deemed withdrawn by the ISO at or before the completion of the later of: (i) the Final Decision Period or (ii) the Additional SDU Study Decision Period for that

Cluster Study Process. The ISO shall post the balance of Withdrawal Penalty Funds held by the ISO but not yet dispersed on its OASIS or a publicly accessible portion of its website and update this posting on a quarterly basis.

40.6.5.2.2 The ISO shall first use any collected Withdrawal Penalty Funds to offset the study costs of the Cluster Study Process, as applicable, that were incurred by those Interconnection Customers: (i) for the Cluster Study Project(s) in that Cluster that accepted their Project Cost Allocation and paid cash or posted Security (if any required) for any Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and/or System Upgrade Facilities identified in the study process and (ii) for the CRIS-Only Cluster Study Project(s) in that Cluster: (A) that accepted their Deliverable MW or Project Cost Allocation and paid cash or posted Security (if any required) for any System Deliverability Upgrades or (B) that participated in an Additional SDU Study that was not completed for that Cluster Study Process ("Payment Eligible Projects").

40.6.5.2.3 Within one hundred fifty (150) Calendar Days of the completion of the later of, as applicable, the Final Decision Period or Additional SDU Study Decision Period for the Cluster Study Process, the ISO shall refund to the Interconnection Customers of each Payment Eligible Project a share of the Withdrawal Penalty Funds to offset the study costs it incurred in that Cluster Study Process. The ISO shall calculate the refund payment for each individual Payment Eligible Project by dividing the total Withdrawal Penalty Funds amount by the number of Payment Eligible Projects. The ISO shall then provide this refund payment to the Interconnection Customer for each Payment Eligible Project; *provided, however,* that an Interconnection Customer shall not receive from the ISO a higher study refund payment for its

Payment Eligible Project than the total payments it made to the ISO for the actual study costs of the Payment Eligible Project in that particular Cluster Study Process.

40.6.5.2.4 If, after the ISO makes the payments required by Section 40.6.5.2.3, there remains Withdrawal Penalty Funds for that Cluster, the ISO shall then calculate and apply the Commercial Operation Incentive Payment Amount for that Cluster.

40.6.5.2.5 The ISO shall calculate the Commercial Operation Incentive Payment Amount for a Cluster by dividing the remaining Withdrawal Penalty Funds by the total number of Payment Eligible Projects except for CRIS-Only Cluster Study Projects.

40.6.5.2.6 The ISO shall hold the remaining Withdrawal Penalty Funds for the Cluster until the Commercial Operation Incentive Payment Amount has been applied for each Payment Eligible Project, except CRIS-Only Cluster Study Projects, as follows. If a Payment Eligible Project enters Commercial Operation, the ISO shall pay the Interconnection Customer for that Payment Eligible Project the Commercial Operation Incentive Payment Amount. If a Payment Eligible Project withdraws or is deemed withdrawn by the ISO prior to entering Commercial Operation, it shall forfeit at that time its Commercial Operation Incentive Payment Amount, which amount the ISO shall use to offset the ISO's administration costs.

40.6.5.2.7 The following is an example of the distribution of the Withdrawal Penalty Fund pursuant to this Section 40.6.5.2.

40.6.5.2.7.1 Assume at the conclusion of a Cluster Study Process that there are ten Payment Eligible Projects and $2,000,000 in Withdrawal Penalty Funds. The ISO will first determine the share of study costs that will be refunded to the Payment Eligible Projects by dividing the $2,000,000 by 10, which results in a refund payment share for each project of $200,000. The ISO would make this refund payment to each Payment

Eligible Project up to the amount in actual study cost such project paid in that Cluster Study Process. Accordingly, if a Payment Eligible Project only paid $100,000 in actual study costs during the Cluster Study Process, its refund payment would be limited to $100,000, and the remaining $100,000 would be subject to the second stage of the Withdrawal Penalty Fund distribution.

40.6.5.2.7.2 Assume for this second stage, that $500,000 remained following the study cost refund payments. The ISO would then calculate the Commercial Operation Incentive Payment Amount. This would be calculated as the remaining $500,000 divided by 10 or a $50,000 amount for which each Payment Eligible Project would be eligible. Assume 7 of the 10 Payment Eligible Projects entered into Commercial Operation. In such case, those 7 projects would each receive the $50,000 Commercial Operation Incentive Payment Amount. The remaining $150,000 associated with the 3 projects that did not enter Commercial Operation would be forfeited and used by the ISO to offset its administration costs.

40.7 Customer Engagement Window/ Phase 1 Entry Decision Period

40.7.1 Customer Engagement Window Start Date, Duration, and Scope

40.7.1.1 The Customer Engagement Window for the Cluster Study Process shall commence on the first Business Day after the end date of the Application Window.

40.7.1.2 The Customer Engagement Window period shall be a seventy (70) Calendar Day period for a Cluster Study Process; except as follows:

(i) for the Transition Cluster Study Process, this period shall complete at the later of: (A) a ninety (90) Calendar Day period and (B) the completion of the Final Decision Period for the Class Year Study for Class Year 2023; and

(ii) for subsequent Cluster Study Processes, this period shall be extended to the extent required by Section 40.5.1.3.

40.7.1.3 During the Customer Engagement Window: (i) the ISO shall complete its review and validation of Interconnection Requests submitted, but not validated, during the Application Window, (ii) the ISO shall post the Cluster Study Project List in accordance with the requirements in Section 40.7.2, (iii) the Connecting Transmission Owner shall perform the Physical Infeasibility Screening of the proposed interconnections of the Cluster Study Projects in accordance with the requirements in Section 40.7.3, and (iv) the ISO shall conduct the Scoping Meeting in accordance with the requirements in Section 40.7.4.

40.7.2 Posting of Cluster Study Project List

40.7.2.1 Within ten (10) Business Days of the commencement of the Customer Engagement Window, the ISO shall post on its OASIS, or a publicly accessible portion of its website, the Cluster Study Project List, which is a list of the validated Interconnection Requests and CRIS-Only Requests for that Cluster. The list shall identify for each Interconnection

Request and each CRIS-Only Request: (1) the requested amount of Energy Resource Interconnection Service and/ Capacity Resource Interconnection Service; (2) the location by county and state; (3) the station or transmission line or lines of the requested Point of Interconnection; (4) the proposed Initial Backfeed Date; (5) the type of Interconnection Service requested; (6) the type of Facility to be constructed, including fuel types, such as coal, natural gas, solar, wind, storage, or combined resource; (7) the number of proposed generator leads; (8) Queue Position; (9) whether the Interconnection Request or CRIS-Only Request is for a Contingent Project; and (10) the applicable Connecting Transmission Owner and any identified Affected Transmission Owners.

40.7.2.2 If an Interconnection Customer withdraws its Interconnection Request or CRIS-Only Request, or such Interconnection Request or CRIS-Only Request is deemed withdrawn by the ISO, during the Customer Engagement Window up to five (5) Business Days after the ISO posts the Cluster Study Project List, the Interconnection Request shall not be subject to a Withdrawal Penalty as set forth in Section 40.7.6.2.

40.7.2.3 Within five (5) Business Days after the ISO posts the Cluster Study Project List, the Interconnection Customer may propose a modification to the Point of Interconnection in its Interconnection Request for its Cluster Study Project other than for a Contingent Project; *provided, however,* that such modification cannot modify the electrical characteristics of its Cluster Study Project. The Interconnection Customer shall submit to the ISO any requested change to the Point of Interconnection through the Facility Modification Request set forth in Appendix 5. If the Interconnection Customer submits a Facility Modification Request requesting to change the Point of Interconnection, then the ISO shall modify the priority designation of the Queue Position assigned to its Interconnection Request pursuant to Section 40.6.1.1 based on the

date and time of the ISO's receipt of the Interconnection Customer's submission of the completed Facility Modification Request form requesting the change and will notify the Connecting Transmission Owner and Affected Transmission Owner of this change when notifying the Interconnection Customer of its modified Queue Position

40.7.3 Physical Infeasibility Screening

40.7.3.1 During the Customer Engagement Window, the Connecting Transmission Owner and any Affected Transmission Owner(s) identified pursuant to Section 40.5.7.1.1 in connection with the proposed interconnection of a Cluster Study Project (except for CRIS-Only Cluster Study Projects) shall review the proposed interconnection of the Cluster Study Project to assess whether the proposed Point of Interconnection is Physically Infeasible as defined in Section 40.7.3.2 and shall provide the ISO their written assessment.

40.7.3.2 An Interconnection Request shall be deemed Physically Infeasible if:

(1) (i) the substation for the selected Point of Interconnection does not have any available bus positions and (ii) (a) is not expandable electrically or within the existing substation footprint, or (b) adjacent usable vacant land is not available, or (c) proposals by Interconnection Customer are inconsistent with Good Utility Practice or Applicable Reliability Requirements; or

(2) a viable tie line cable route(s) cannot be established from either the Point of Change of Ownership to the Point of Interconnection or, where these points are the same, a viable route cannot be established within or from the fence line; or

(3) (i) the project capacity exceeds the ratings of equipment at the substation selected for the Point of Interconnection, (ii) replacement equipment that would be adequately rated for the project capacity is not commercially available from an approved supplier and

within applicable specifications set by the Transmission Owner, and (iii) an alternative upgrade is not physically feasible (e.g., higher voltage Point of Interconnection substation). For purposes of this subpart (3), "commercially available" equipment shall mean equipment manufactured by an approved supplier of a particular Connecting Transmission Owner and conforming with engineering specifications and procedures of the Connecting Transmission Owner. This section does not create an obligation of a Transmission Owner to acquire through eminent domain or otherwise any real property, subject to the Land of Other Property Owners requirements in Section 5.13 of the Standard Interconnection Agreement in Appendix 15 to this Attachment HH.

40.7.3.3 The ISO shall issue a report with the results of the Physical Infeasibility Screening for that Cluster. If, as a result of the Physical Infeasibility Screening or at any time in the Cluster Study Process, the ISO determines, in consultation with the Connecting Transmission Owner or Affected Transmission Owner, that the proposed interconnection of a Cluster Study Project is Physically Infeasible as defined in Section 40.7.3.2, then the ISO shall notify the Interconnection Customer that the proposed interconnection of its Cluster Study Project is Physically Infeasible and shall withdraw the Interconnection Request for the project pursuant to Section 40.6.4.

40.7.3.4 If: (i) more than one Interconnection Request in a Cluster proposes to interconnect at the same Point of Interconnection on the New York State Transmission System or Distribution System and (ii) all of the Interconnection Requests proposing to interconnect at that location are not able in the aggregate to interconnect due to a Physical Infeasibility, then an Interconnection Request with a Queue Position with a higher designated priority shall have priority over an Interconnection Request with a Queue Position with a lower designated priority

(including as between Interconnection Requests within the same Cluster) for access to that Point of Interconnection for purposes of Physical Infeasibility determinations.

40.7.3.5 For purposes of applying Section 40.7.3.4 if one or more of the Cluster Study Projects proposing to interconnect at the same Point of Interconnection are Contingent Projects, the Transmission Owner shall perform two Physical Infeasibility assessments.

40.7.3.5.1 For the first Physical Infeasibility assessment, the Transmission Owner (i) will assume all Pending Projects, including those associated with Contingent Projects, that their associated Pending Projects have accepted their Project Cost Allocation and provided the required cash or Security in, as applicable, the ongoing Class Year Study, Cluster Study, Additional SDU Study, or Small Generator Interconnection Procedures facilities study and (ii) will assess whether, with these Pending Projects assumed in the baseline of the system used in the assessment, there are Physical Infeasibility issues for any remaining Cluster Study Projects that are not Contingent Projects. This first assessment will be used for determining which Interconnection Requests for the Cluster Study Projects that are not Contingent Projects are Physically Infeasible if the Pending Project(s) proceed to accept their Project Cost Allocation and provide the required cash or Security in, as applicable, the ongoing Class Year Study, Cluster Study, Additional SDU Study, or Small Generator Interconnection Procedures facilities study.

40.7.3.5.2 For the second Physical Infeasibility assessment, the Transmission Owner: (i) will assume for all Pending Projects, including those associated with Contingent Projects, that the Pending Projects do not accept their Project Cost Allocation and/or do not provide the required cash or Security in, as applicable, the ongoing Class Year Study, Cluster Study, or Additional SDU Study, or Small Generator Interconnection Procedures facilities study and (ii)

assuming all of the Pending Projects are not used in the baseline of the system used in the assessment, will assess all Cluster Study Projects, including Contingent Projects, equally for their access to the Point of Interconnection and will apply the priority rules in Section 40.7.3.4.

40.7.4 Scoping Meeting

During the Customer Engagement Window, and after the ISO posts the Physical Infeasibility screening report, the ISO shall hold a group Scoping Meeting with all Interconnection Customers with validated Interconnection Requests and CRIS-Only Requests included in the Cluster for that Cluster Study Process, along with the Connecting Transmission Owners and any Affected Transmission Owner(s) identified in connection with the Interconnection Requests. The ISO will provide notice of the Scoping Meeting by sending notice to the contact list of the Cluster Study Projects included in the Cluster Study Project List and the applicable Connecting Transmission Owners, Affected Transmission Owners, and Affected System Operators. In setting the date for the Scoping Meeting, the ISO will consult with the Transmission Owners concerning the timeframe for completion of the Physical Infeasibility Screening, with the Scoping Meeting to take place no later than the last Business Day before the close of the Customer Engagement Window.

The purpose of the Scoping Meeting shall be to reinforce the roles and responsibilities of all parties in the interconnection process, including to discuss the study scope for the Cluster Study, the schedule, and the work plan, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to discuss the results of the Physical Infeasibility Screening, including summarizing potential Physical Infeasibility issues, and to analyze such information. The ISO, Connecting Transmission Owner, Affected Transmission Owner(s), and Interconnection Customer will also bring to the meeting personnel

and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. The duration of the meeting shall be sufficient to accomplish its purpose. If the Scoping Meeting consists of more than one Interconnection Customer, the ISO shall issue, no later than fifteen (15) Business Days after the commencement of the Customer Engagement Window, and Interconnection Customer shall execute, a non-disclosure agreement prior to a group Scoping Meeting, which will provide for confidentiality of commercially sensitive information identified in the Scoping Meeting pertaining to any other Interconnection Customers. Before holding a Scoping Meeting with an Affiliate of a Connecting Transmission Owner and that Connecting Transmission Owner, the ISO shall post on its OASIS an advance notice of its intent to do so.

40.7.5 Phase 1 Entry Decision Period

40.7.5.1 The Phase 1 Entry Decision Period for the Cluster Study Process shall commence on the first Business Day after the end date of the Customer Engagement Window.

40.7.5.2 The Phase 1 Entry Decision Period shall be a five (5) Business Day period.

40.7.5.3 A Cluster Study Project will be included in the Phase 1 Study if, during the Phase 1 Entry Decision Period, the Interconnection Customer for the Cluster Study Project:

(i) notifies the ISO of its election for its Cluster Study Project to proceed to the Phase 1 Study;

(ii) submits to the ISO an updated proposed Initial Backfeed Date, an updated proposed Synchronization Date, and an updated proposed Commercial Operation Date; and

(iii) provides the ISO with the Readiness Deposit 1 for its Cluster Study Project in accordance with the requirements in Section 40.2.4.2. The Readiness Deposit 1 shall be $4,000 per MW based on the requested ERIS amount at the Point of Interconnection for the Cluster

Study Project; *provided, however*, that a CRIS-Only Cluster Study Project is not required to provide Readiness Deposit 1 to proceed to the Phase 1 Study.

40.7.6 Withdrawal and Withdrawal Penalties

40.7.6.1 If an Interconnection Customer does not satisfy the requirements in Section 40.7.5.3 for the Cluster Study Project to proceed to the Phase 1 Study, then the ISO shall withdraw the Interconnection Request or CRIS-Only Request for the Cluster Study Project from the ISO's Queue pursuant to the Withdrawal requirements in Section 40.6.4.

40.7.6.2 If an Interconnection Customer withdraws the Interconnection Request or CRIS-Only Request for a Cluster Study Project, or the Interconnection Request or CRIS-Only Request is deemed withdrawn by the ISO, from the ISO's Queue during the Customer Engagement Window or at the Phase 1 Entry Decision Period, the Interconnection Customer for the Cluster Study Project, including a CRIS-Only Cluster Study Project, shall pay a Withdrawal Penalty in an amount equal to twenty-five percent (25%) of its initial Study Deposit amount for the project; except for the following:

(i) if the Interconnection Request or CRIS-Only Request was withdrawn or was deemed withdrawn by the ISO during the Customer Engagement Window up to five (5) Business Days after the ISO posted the Cluster Study Project List pursuant to Section 40.7.2.2, then the Cluster Study Project shall not be assessed a Withdrawal Penalty;

(ii) if the ISO determined that the Cluster Study Project cannot move forward due to Physical Infeasibility pursuant to Section 40.7.3, then the Cluster Study Project shall not be assessed a Withdrawal Penalty; and

(iii) if the Interconnection Request or CRIS-Only Request was for: (A) a Contingent Project that was withdrawn by the ISO pursuant to Section 40.5.4.1.3 or (B)

for a Contingent Project that was converted to a CRIS-Only Cluster Study Project and informs the ISO of its election to withdraw prior to the Phase 1 Study pursuant to Section 40.5.4.1.3, then the Interconnection Request or CRIS-Only Request shall not be assessed a Withdrawal Penalty.

40.7.6.2.1 The ISO shall invoice, and Interconnection Customer shall pay, any Withdrawal Penalty as set forth in Section 40.24.3.

40.7.6.3 The ISO shall apply the collected Withdrawal Penalty Funds pursuant to Section 40.6.5.

40.8 Affected Systems

40.8.1 Coordination with Affected Systems within the New York Control Area

40.8.1.1 The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems within the New York Control Area with Affected System Operators, as soon as they are identified – either by their own accord, by the Connecting Transmission Owner, by the ISO, or by members of the ISO's Operating Committee or Transmission Planning Advisory Subcommittee of the ISO's Operating Committee.

40.8.1.2 The ISO will include those results on Affected System Operators' and Affected Transmission Owners' systems in the Cluster Study within the time frame specified in these Standard Interconnection Procedures. The ISO will also include results, if available, on other Affected Systems in the New York Control Area. The ISO will invite such Affected System Operators to all meetings held with the Interconnection Customer as required by these Standard Interconnection Procedures. The Interconnection Customer will cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. An Affected System Operator shall cooperate with the ISO and Connecting Transmission Owner with whom interconnection has been requested in all matters related to the type and/or conduct of studies and the determination of modifications to Affected Systems.

40.8.1.3 Upon completion of a Cluster Study in which an Interconnection Customer accepts its Project Cost Allocation for System Upgrade Facilities and/or System Deliverability Upgrades and pays cash or posts Security for such upgrades as required by this Attachment HH, the ISO will tender, as applicable, a Standard Upgrade Construction Agreement or Standard Multiparty Upgrade Construction Agreement to the Interconnection Customer(s) and Affected

Transmission Owner(s) or Affected System Operator(s) in accordance with the requirements in Section 40.21 to this Attachment HH for the engineering, procurement and construction of the System Upgrade Facilities and/or System Deliverability Upgrades on the Affected System.

40.8.1.4 For identified Affected Transmission Owner(s) of facilities that are electrically adjacent to the Point of Interconnection and that have design criteria, operational criteria, or other local planning criteria applicable to either (1) the substation to which the Interconnection Customer proposes to interconnect; or (2) the substation that will be required to be built to accommodate the interconnection, the ISO shall provide such Affected Transmission Owner(s) with the opportunity to review and provide comments on all study scopes, study reports and drafts thereof for the project, and will be included on communications regarding the project and meetings discussing the project or any of its studies, where such communications or meetings involve the ISO, Interconnection Customer and Connecting Transmission Owner.

40.8.2 Coordination with External Affected Systems

40.8.2.1 The ISO will identify potential impacts on External Affected Systems during the Customer Engagement Window once the Cluster Study Projects participating in the Cluster for that Cluster Study Process have been confirmed. If the ISO subsequently identifies additional potential impacts on an External Affected System during its performance of the Cluster Study, the ISO will notify the External Affected System Operator of the impacts.

40.8.2.2 At the time of initial notification, the ISO must provide an impacted Interconnection Customer with a list of potential Affected Systems, along with relevant contact information for such systems.

40.8.2.3 The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on External Affected Systems with External Affected

System Operators. Interconnection Customer will cooperate with the ISO and External Affected System Operator in all matters related to the conduct of studies and the determination of modifications to the External Affected Systems.

40.8.3 Study of Impacts to New York State Transmission System of an Affected System Interconnection Customer's Proposed Interconnection to Another Region's Transmission System

40.8.3.1 Applicability

This Section 40.8.3 outlines the duties of the ISO when it receives notification that an Affected System Interconnection Customer's proposed interconnection to another region's transmission system may impact the New York State Transmission System. If the New York State Transmission System may be impacted by a proposed interconnection on another region's transmission system, the ISO shall cooperate with the other region in all matters related to the conduct of studies and the determination of modifications to the New York State Transmission System.

40.8.3.2 Response to Initial Notification

40.8.3.2.1 Response to Initial Notification

When the ISO receives initial notification based on the applicable interconnection study or restudy in another region that an Affected System Interconnection Customer's proposed interconnection to another region's transmission system may impact the New York State Transmission System, the ISO must respond in writing within twenty (20) Business Days whether it intends to conduct an Affected System Study. By fifteen (15) Business Days after the ISO responds with its affirmative intent to conduct an Affected System Study, the ISO shall share with Affected System Interconnection Customer(s) and its host region a

non-binding good faith estimate of the cost and the schedule to complete the Affected System Study.

40.8.3.2.2 Response to Notification of Restudy

Within five (5) Business Days of receipt of notification of a restudy of the applicable interconnection study in another region, the ISO will send written notification to Affected System Interconnection Customer(s) involved in the restudy and the host transmission provider that the ISO intends to delay a planned or in-progress Affected System Study until after completion of the restudy. If the ISO decides to delay the Affected System Study, it is not required to meet its obligations under this Section 40.8.3 until the time that it receives notification from the host transmission provider that the restudy is complete. If the ISO decides to move forward with its Affected System Study despite the restudy, then it must meet all of the requirements in this Section 40.8.3.

40.8.3.3 Affected System Queue Position

The ISO must assign an Affected System Queue Position to Affected System Interconnection Customer(s) that require(s) an Affected System Study. Such Affected System Queue Position shall be assigned based upon the date of execution of the Affected System Study Agreement. Consistent with Section 40.8.3.7, the ISO shall study the Affected System Interconnection Customer(s) that are all interconnecting in a particular region via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under Section 40.8.3.7 shall be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position shall have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The

costs of the Affected System Network Upgrades shall be allocated among the Affected System Interconnection Customers in accordance with Section 40.8.3.9.

40.8.3.4 Affected System Study Agreement/Multiparty Affected System Study Agreement.

Unless otherwise agreed, the ISO shall provide to Affected System Interconnection Customer(s) an Affected System Study Agreement or Multiparty Affected System Study Agreement, in the form of Appendix 6 or Appendix 7 to this Attachment HH, as applicable, within ten (10) Business Days of the ISO sharing the schedule for the Affected System Study per Section 40.8.3.2.

The ISO shall invoice the Affected System Interconnection Customer(s) for the actual cost of the Affected System Study in accordance with the invoicing requirements in Section 40.24.3. The ISO shall notify Affected System Interconnection Customer's host region of any failure to pay.

40.8.3.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement.

Affected System Interconnection Customer(s) shall execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed agreement to the ISO, and provide the Affected System Study deposit in the amount of $100,000 in accordance with the requirements in Section 40.2.4 within ten (10) Business Days of receipt. If the ISO notifies Affected System Interconnection Customer(s) that it will delay the Affected System Study pursuant to Section 40.8.3.2.2, Affected System Interconnection Customer(s) are neither required to execute and return the previously tendered Affected System Study/Multiparty Affected System Study Agreement nor provide the Affected System Study deposit for the previously tendered Affected System Study/Multiparty Affected System Study Agreement.

If Affected System Interconnection Customer does not provide all required technical data when it delivers the Affected System Study Agreement/Multiparty Affected System Study Agreement, the ISO shall notify the deficient Affected System Interconnection Customer, as well as its host region, of the technical data deficiency within ten (10) Business Days of the receipt of the executed Affected System Study Agreement/Multiparty Affected System Study Agreement, and the deficient Affected System Interconnection Customer shall cure the technical data deficiency within ten (10) Business Days of receipt of the notice*: provided, however*, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer shall lose its Affected System Queue Position.

40.8.3.6 Scope of Affected System Study

40.8.3.6.1 The Affected System Study will use the most recent Annual Transmission Reliability Assessment or Cluster Project Assessment available at the time of the commencement of the Affected System Study. The ISO shall coordinate with the Affected System Interconnection Customer(s)' host region as necessary to align to the extent possible the network system modeling between the regions for purposes of the Affected System Study.

40.8.3.6.2 For the Affected System Study, the ISO shall first evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another region's transmission system will have on the reliability of the New York State Transmission System and

identify any required Affected System Network Upgrades, to the extent not Physically Infeasible. The Affected System Study shall consist, as applicable, of a power flow, stability, and short circuit analysis. The Affected System Study will state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt of interconnection service on its host region's transmission system, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The ISO will notify the Affected System Interconnection Customer(s) and its host region of this preliminary information. The Affected System Study will not assess deliverability. The ISO has no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

40.8.3.6.3 If the Affected System Study identifies needs that require Affected System Network Upgrades, the ISO will next perform, as applicable, short circuit/fault duty, steady state (thermal and voltage), and stability analysis to identify the Affected System Network Upgrades that are required for the reliability of the New York State Transmission System in accordance with the NYISO Transmission Interconnection Standard (as defined in Attachment P to the ISO OATT). For purposes of determining necessary Affected System Network Upgrades, the Affected System Study shall consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study, as applicable, shall determine a +30%/-15% estimate of the costs of the equipment, engineering and design work, procurement and construction work and commissioning of the Affected System Network Upgrades identified in the Affected System Study in accordance with Good Utility

Practice and, for each of these cost categories, shall specify and estimate the cost of the required work. The Affected System Study will calculate cost estimates based on the assumption that the activities for which the cost estimates are calculated are performed by the Affected Transmission Owner or Affected System Operator and shall be subject to reasonable exclusions (*e.g.*, environmental, subsurface conditions, permitting, site acquisition costs).

The ISO will allocate the costs of any Affected System Network Upgrades to the Affected System Interconnection Customer(s) in accordance with the Cluster Project Assessment rules in Section 40.12.2. The Affected System Study shall provide a list of the required Affected System Network Upgrades with a dollar figure for each Affected System Interconnection Customer's allocated share of the costs of the Affected System Network Upgrades as determined in accordance with Section 40.8.3.9. The Affected System Study shall also include a preliminary schedule showing the estimated time required to complete the engineering and design, procurement, construction, installation and commissioning phases for the required Affected System Network Upgrades identified in the study.

During the Affected System Study, the ISO shall update and refine the description of Affected System Network Upgrades identified pursuant to Section 40.8.3.6.2, including the equipment, work and related cost and time estimates necessary to construct the required Affected System Network Upgrades, and identify any additional Affected System Network Upgrades that are necessary in accordance with the NYISO Transmission Interconnection Standard (as defined in described in Attachment P) based on, among other things, changes in the Base Case since the ISO's determination pursuant to Section 40.8.3.6.2.

40.8.3.7 Affected System Study Procedures

The ISO shall use Clustering in conducting the Affected System Study and shall use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. The ISO shall complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s) and its host region within three hundred (300) Calendar Days after the receipt of (i) the completed Affected System Study Agreement without any deficiencies and related study deposit from Affected System Interconnection Customer(s); and (ii) the network system model(s) from its host region. If during a clustered Affected System Study one or more Affected System Interconnection Customers withdraw, or are deemed withdrawn by the ISO, from the Affected System Study, the ISO may toll the three hundred (300) Calendar Day period for that Affected System Study for any remaining Affected System Interconnection Customers by up to sixty (60) Calendar Days to enable the ISO to update its study work in light of the withdrawn projects.

At the request of Affected System Interconnection Customer, the ISO shall notify Affected System Interconnection Customer as to the status of the Affected System Study. If the ISO is unable to complete the Affected System Study within the requisite time period, it shall notify Affected System Interconnection Customer(s) and its host region, and shall provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the ISO shall provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with Section 40.24.1.

The ISO must study an Affected System Interconnection Customer using the Energy Resource Interconnection Service modeling standard used for Interconnection Requests on its own transmission system, regardless of the level of interconnection service that Affected System Interconnection Customer is seeking from its host region.

40.8.3.8 Meeting with the ISO

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), the ISO, Affected System Interconnection Customer(s), and Affected Transmission Owner or Affected System Operator shall meet to discuss the results of the Affected System Study.

40.8.3.9 Affected System Cost Allocation and Decision Period

The ISO shall allocate the costs of Affected System Network Upgrades identified during the Affected System Study to Affected System Interconnection Customer(s) using the proportional impact method for allocating System Upgrade Facilities set forth in Section 40.12.2 to this Attachment HH.

40.8.3.10 Iterative Decision Period for Project Cost Allocation and Security Posting

40.8.3.10.1 Within five (5) Business Days after the completion of the meeting set forth in Section 40.8.3.8, the ISO shall commence an iterative decision period process for the Affected System Interconnection Customer(s) consistent with the requirements for conducting the Final Decision Period process in Sections 40.15.2 – 40.15.4 by which the Affected System Interconnection Customer may accept its allocated costs for the Affected System Network Upgrades and pay cash or post Security to the Affected Transmission Owner or Affected System Operator for its allocated amount. If an Affected System Interconnection Customer does not accept its allocated cost or pay cash or post Security for such amount in any of the rounds of the

iterative decision process, its Affected System Queue Position shall be withdrawn consistent with the requirements in Section 40.6.4.

40.8.3.10.2 The iterative decision process will be repeated until none of the remaining eligible Affected System Interconnection Customers provide a Non-Acceptance Notice or commits a Security Posting Default as those terms are defined in 40.15.

40.8.3.10.3 If an Affected System Interconnection Customer accepted its allocated costs for the Affected System Network Upgrades and paid cash or posted Security for the allocated amount in the final decision round of the decision process consistent with the requirements in Section 40.15, including the requirements concerning the posting of Security, then the Affected System Interconnection Customer shall be subject to the Security forfeiture requirements in Section 40.16.1 and the future cost responsibility requirements in Section 40.16.3 for purposes of the Affected System Network Upgrades.

40.8.3.11 Tender of Standard Upgrade Construction Agreement/Standard Multiparty Upgrade Construction Agreement.

As soon as practicable after the Affected System Interconnection Customer accepts its cost allocation for any Affected System Network Upgrades and pays cash or post security in accordance with Section 40.8.3.10, the ISO shall tender to Affected System Interconnection Customer(s) and, as applicable, the Affected System Operator or Affected Transmission Owner a Standard Upgrade Construction Agreement/Standard Multiparty Upgrade Construction Agreement, as applicable, in the form of Appendix 16 or 17 to this Attachment HH in accordance with the requirements in Section 40.21 to this Attachment HH.

40.8.3.12 Restudy.

If restudy of the Affected System Study is required pursuant to Section 40.8.3.10, the ISO shall notify Affected System Interconnection Customer(s) and conduct such restudy in

accordance with the requirements in Section 40.8.3.10. Any cost of restudy shall be borne by the Affected System Interconnection Customer(s) being restudied.

40.9 Cluster Study Overview/ NYISO Minimum Interconnection Standard/ NYISO Deliverability Interconnection Standard/ Cluster Study Cost Allocation Rules Overview

40.9.1 Cluster Study Overview

The Cluster Study shall consist of:

(i) the ISO's development of the Existing System Representation used for the Cluster Study as set forth in Sections 40.10.3;

(ii) the Connecting Transmission Owners' and Affected Transmission Owners' performance of the Phase 1 Study for the Cluster Study Projects as set forth in Section 40.10.4;

(iii) the Phase 2 Study Entry Decision Period in which Interconnection Customers elect whether to satisfy the requirements for their Cluster Study Projects to proceed to the Phase 2 Study as set forth in Section 40.10.8;

(iv) the ISO's performance of the Phase 2 Study, in conjunction with the Connecting Transmission Owner and Affected Transmission Owner, for the Cluster Study Projects as set forth in Sections 40.11 through 40.14, including: (A) the ISO's development of the Cluster Baseline Assessment and Cluster Project Assessment used for the Cluster Study as set forth in Section 40.12, (B) the ISO's assessment of the reliable interconnection of the Cluster Study Projects requesting ERIS in accordance with the NYISO Minimum Interconnection Standard as set forth in Section 40.12, (C) the ISO's assessment of the deliverability of Cluster Study Projects, including CRIS-Only Cluster Study Projects, requesting CRIS in accordance with the NYISO Deliverability Interconnection Standard in the Cluster Study Deliverability Study in accordance with Section 40.13, and (D) if applicable, the ISO's performance of an Additional SDU Study in accordance with Section 40.14; and

(v) the Final Decision Period at the conclusion of the Phase 2 Study and, if applicable, the Additional SDU Study Decision Period, at the conclusion of any Additional SDU Study as set forth in Section 40.15.

40.9.2 Timeframes

40.9.2.1 The timeframe for the ISO's, Connecting Transmission Owners', and Affected Transmission Owners' performance of their responsibilities for the Phase 1 Study and Phase 2 Study will be scheduled for each Cluster Study Process as follows:

(i) The scheduled duration of the Phase 1 Study process will be a one hundred ninety (190) Calendar Day period between the Phase 1 Study Start Date and the ISO's presentation to its Operating Committee for its approval of the Phase 1 Cost Estimates Summary Report. Within this period, the scheduled duration for the key individual components of the Phase 1 Study process are set forth in Section 40.10.

(ii) The scheduled duration of the Phase 2 Study process will be a two hundred seventy (270) Calendar Day period between the Phase 2 Study Start Date and the ISO's presentation of the draft Cluster Study Report to the Operating Committee for its approval. Within this period, the scheduled duration for the key individual components of the Phase 2 Study process are set forth in Section 40.11.

40.9.2.2 If the ISO, Connecting Transmission Owner, or Affected Transmission Owner is unable to complete an individual component of the Cluster Study Process in accordance with that component's timeframe established in this Attachment HH, the entity responsible for performing that component shall complete it as soon as practicable, and the ISO shall notify Interconnection Customers of any anticipated resulting delay in the overall timeframe of, as applicable, the Phase 1 Study or Phase 2 Study. The ISO shall address any failure of the

responsible entity to achieve a study component within a tariff-prescribed time period through the requirements set forth in Section 40.9.3.

40.9.3 Study Metrics and Penalties for Study Delays

40.9.3.1 Metrics and Reporting Obligation

40.9.3.1.1 Publicly Posted Study Metrics for Cluster Study Process

40.9.3.1.1.1 Within thirty (30) Calendar Days of the completion of the Phase 2 Entry Decision Period for a given Cluster Study Process, the ISO will post on a publicly accessible portion of its website the following statistics related to processing of Cluster Studies performed in accordance with this Attachment HH:

(A) Number of individual Phase 1 Study reports completed during the Phase 1 Study process for a given Cluster Study Process;

(B) Number of individual Phase 1 Study reports during the Phase 1 Study process for a given Cluster Study Process that were finalized beyond the timeframe set forth in Section 40.10.5 of this Attachment HH;

(C) For each individual Phase 1 Study report completed during the Phase 1 Study for a given Cluster Study Process: (i) the details of the Interconnection Request posting on the ISO's Queue; (ii) the identity of Connecting Transmission Owner(s) and Affected Transmission Owner(s), as applicable; (iii) the total time (in Calendar Days) from the Phase 1 Study Start Date to the date the ISO provided the applicable Transmission Owner with an updated Cluster Study Project List and the finalized CPA short-circuit base case pursuant to Section 40.10.4.1; (iv) if the total time calculated for Section 40.9.3.1.1.1(C)(iii) is greater than the time period for the ISO to provide the required materials to the applicable Transmission Owner as set forth in Section 40.10.4.1, the

reasons for the delay; (v) the total time (in Calendar Days) from the date the ISO provided to the applicable Transmission Owner with an updated Cluster Study Project List and the finalized CPA short-circuit base case to the date when the applicable Transmission Owner provides the individual final version of the Phase 1 Study report to the ISO and the Interconnection Customer; and (vi) if the total time calculated for Section 40.9.3.1.1.1(C)(v) is greater than the time period set forth in Section 40.10.5 for the Transmission Owner to provide the final report, the reasons for the delay reported to the ISO by the applicable Transmission Owner;

(D) Total time (in Calendar Days) from the Phase 1 Study Start Date to the date when the ISO presents the Phase 1 Cost Estimates Summary Report to the ISO Operating Committee; and

(E) Number of Interconnection Requests or CRIS-Only Requests withdrawn from the ISO's Queue during the period between the commencement of the Customer Engagement Window and the completion of the Phase 2 Entry Decision Period for the given Cluster Study.

For purposes of this section, the Phase 1 Study process includes (i) individual Phase 1 Study reports for each Cluster Study Project, including reports from the Connecting Transmission Owner(s) and any applicable Affected Transmission Owners; and (ii) a Phase 1 Cost Estimates Summary Report compiled by the ISO from cost estimates identified for all Cluster Study Projects in the Phase 1 Study. An individual Phase 1 Study report for a Cluster Study Project is deemed complete on the date upon which the applicable Transmission Owner provides the final version of the study report to the ISO and the Interconnection Customer in accordance with Section 40.10.5. A Phase

1 Cost Estimates Summary Report is deemed complete on the date upon which the Phase 1 Cost Estimates Summary Report is presented to the ISO's Operating Committee in accordance with Section 40.10.6.

Connecting Transmission Owners and Affected Transmission Owners shall timely provide any information reasonably requested by the ISO to complete the study metrics specified in this Section 40.9.3.1.1.

40.9.3.1.1.2 Within thirty (30) Calendar Days of the completion of the Phase 2 Study Final Decision Period for a given Cluster Study Process, the ISO will post on a publicly accessible portion of its website the following statistics related to processing of Cluster Studies performed in accordance with this Attachment HH:

(A) For each updated individual Phase 1 Study report completed during the Phase 2 Study for a given Cluster Study Process: (i) the details of the Interconnection Request posting on the ISO's Queue; (ii) the identity of Connecting Transmission Owner(s) and Affected Transmission Owner(s), as applicable; (iii) the total time (in Calendar Days) from the Phase 2 Study Start Date to the date the ISO provided the applicable Transmission Owner with an updated Cluster Study Project List and an updated CPA short-circuit base case pursuant to Section 40.11.2.2; (iv) if the total time calculated for Section 40.9.3.1.1.2(A)(iii) is greater than the time period for the ISO to provide the required materials to the applicable Transmission Owner as set forth in Section 40.11.2.2, the reasons for the delay; (v) the total time (in Calendar Days) from the date the ISO provided to the applicable Transmission Owner with an updated Cluster Study Project List and the updated CPA short-circuit base case to the date when the applicable Transmission Owner provides the individual final, updated version of the Phase 1 Study

report to the ISO and the Interconnection Customer; and (vi) if the total time calculated for Section 40.9.3.1.1.2(A)(v) is greater than the time period set forth in Section 40.11.2.2 for the Transmission Owner to provide the final updated report, the reasons for the delay reported to the ISO by the applicable Transmission Owner;

(B) For each individual Phase 2 Study report completed during the Phase 2 Study for a given Cluster Study Process: (i) the details of the Interconnection Request or CRIS-Only Request posting on the ISO's Queue; (ii) the identity of Connecting Transmission Owner(s) and Affected Transmission Owner(s), as applicable; (iii) the total time (in Calendar Days) from the Phase 2 Study Start Date to the date the ISO provided the applicable Transmission Owner with any System Upgrade Facilities, Distribution Upgrades, and System Deliverability Upgrades identified by the ISO for a Cluster Study Project and their major electrical characteristics pursuant to Section 40.11.4.1; (iv) if the total time calculated for Section 40.9.3.1.1.2(B)(iii) is greater than the time period for the ISO to provide the applicable Transmission Owner with the identified upgrades and their major electrical characteristics as set forth in Section 40.11.4.1, the reasons for the delay; (v) the total time (in Calendar Days) from the date the ISO provided to the applicable Transmission Owner the identified upgrades and their major electrical characteristics for a Cluster Study Project to the date when the applicable Transmission Owner provides the individual final version of the Phase 2 Study report to the ISO and the Interconnection Customer; and (vi) if the total time calculated for Section 40.9.3.1.1.2(B)(v) is greater than the time period set forth in Section 40.11.4.3 for the Transmission Owner to provide the final report, the reasons for the delay reported to the ISO by the applicable Transmission Owner;

(C) Total time (in Calendar Days) from the Phase 2 Study Start Date to the date when the ISO presents the summary Cluster Study Report to the ISO's Operating Committee;

(D) Total time (in Calendar Days) for the Phase 1 Study process and Phase 2 Study process of the given Cluster Study Process (excluding the Phase 2 Entry Decision Period); and

(E) Number of Interconnection Requests or CRIS-Only Requests withdrawn from the ISO's Queue during the period between the commencement of the Phase 2 Study and the completion of the Final Decision Period.

For purposes of this section, the Phase 2 Study process is deemed complete on the date upon which the Cluster Study Report is presented to the ISO's Operating Committee.

Connecting Transmission Owners and Affected Transmission Owners shall timely provide any information reasonably requested by the ISO to complete the study metrics specified in this Section 40.9.3.1.2.

40.9.3.1.2 Publicly Posted Study Metrics for Interconnection Requests and CRIS-Only Requests Withdrawn from the Queue

40.9.3.1.2.1 On an annual basis, the ISO will post on a publicly accessible portion of its website the following statistics, or an update to previously posted statistics, related to the Interconnection Requests and CRIS-Only Requests that withdraw or are deemed withdrawn by the ISO from the Queue for each Cluster Study Process during that prior year in accordance with this Attachment HH:

(A) Number of validated Interconnection Requests and CRIS-Only Requests for a given Cluster Study Process;

(B) Number of Interconnection Requests and CRIS-Only Requests in the Cluster Study Process withdrawn from the Queue after the commencement of the Phase 1 Study, but before commencement of the Phase 2 Study;

(C) Number of Interconnection Requests and CRIS-Only Requests in the Cluster Study Process withdrawn from the Queue after the commencement of the Phase 2 Study, but prior to the completion of the Final Decision Period for the Cluster Study;

(D) Number of Interconnection Requests and, if applicable, CRIS-Only Requests withdrawn from the Queue after the completion of the Final Decision Period for the Cluster Study, but before execution of a Standard Interconnection Agreement or an Interconnection Customer requesting the filing of an unexecuted, new Standard Interconnection Agreement; and

(E) Number of Interconnection Requests and, if applicable, CRIS-Only Requests withdrawn from the Queue after execution of a Standard Interconnection Agreement or an Interconnection Customer requesting the filing of an unexecuted, new Standard Interconnection Agreement.

40.9.3.1.3 Informational Reports of Study Processing Times

40.9.3.1.3.1 If the combined duration of the Phase 1 Study and Phase 2 Study for a given Cluster Study Process (excluding the Phase 2 Entry Decision Period and Final Decision Period) exceeds the four hundred sixty (460) Calendar Days scheduled for total Phase 1 Study and Phase 2 Study processes, the ISO will file a report with the Commission: describing (i) the reason(s) that the Phase 1 Study exceeded its one hundred ninety (190) Calendar Day schedule for completion and/or the Phase 2 Study exceeded its two hundred seventy (270) Calendar Day schedule for completion; and (ii) steps taken to

remedy these specific issues and, if applicable, prevent such delays in the future. The report must be filed at the Commission within sixty-five (65) Business Days following the completion of the Cluster Study. The ISO will also aggregate the total number of its and Transmission Owners' employee hours and third party consultant hours expended towards the Phase 1 Study and Phase 2 Study for the delayed Cluster Study. The ISO will post this information within sixty-five (65) Business Days following the completion of the Cluster Study. Connecting Transmission Owners and Affected Transmission Owners shall timely provide any information reasonably requested by the ISO to complete the report and the aggregation of employee and consultant hours.

40.9.3.2 Penalties for Failure to Meet Study Deadlines

40.9.3.2.1 Commencing with the first Cluster Study Process for which penalties may be applied as set forth in Section 40.9.3.2.10, the ISO and/or Transmission Owners shall be subject to a penalty to the extent required in this Section 40.9.3.2 if a Cluster Study or Affected System Study is not completed within the applicable deadline set forth in this Section 40.9.3.2.

40.9.3.2.2 If: (A) the combined duration of the Phase 1 Study process and the Phase 2 Study process (excluding the Phase 2 Entry Decision Period and Final Decision Period) exceeds the four hundred sixty (460) Calendar Days scheduled for the total Phase 1 Study and Phase 2 Study processes as those study process durations are established in Section 40.9.2.1 (the "Total Cluster Study Timeframe") or (B) the duration of the Affected System Study (excluding the final decision period) exceeds the three hundred (300) Calendar Days scheduled for that study as that study process duration is established in Section 40.8.3.7 ("Total Affected System Study Timeframe"), the ISO will take the

following action, unless the study is completed within the ten (10) Business Day grace period set forth in Section 40.9.3.2.8 or within an agreed upon extended period as set forth in Section 40.9.3.2.9:

40.9.3.2.2.1 The ISO will prepare a Draft Penalty Summary within twenty (20) Business Days of the completion of the Final Decision Period, as applicable, for the Phase 2 Study or Affected System Study that will compute the total penalty amount and the allocation of such penalty amount among the ISO and the Transmission Owners.

40.9.3.2.2.2 The ISO will calculate the penalty amount by multiplying: (i) the daily penalty amount set forth in Section 40.9.3.2.6 by (ii) the number of Business Days that: (A) the Total Cluster Study Timeframe exceeded the combined four hundred sixty (460) Calendar Day scheduled study period and any agreed upon extension(s) as set forth in Section 40.9.3.2.9 or (B) the Total Affected System Study Timeframe exceeded the three hundred (300) Calendar Day scheduled study period and any agreed upon extension(s) as set forth in Section 40.9.3.2.9.

40.9.3.2.2.3 The ISO will allocate the computed penalty amount among itself and each individual Transmission Owner based on the delays of each party in completing the portions of, as applicable, the Phase 1 Study or Phase 2 Study for which each party is explicitly responsible for under this Attachment HH and/or under any contract to implement these responsibilities between the ISO and the applicable Transmission Owner.

40.9.3.2.2.4 The Transmission Owners will have twenty (20) Business Days to review the Draft Penalty Summary and to provide any comments to the ISO. The ISO will then have ten (10) Business Days to finalize the Penalty Summary.

40.9.3.2.3 The ISO and/or Transmission Owner must pay the penalty set forth in the Penalty Summary for each late Cluster Study on a pro rata basis per Interconnection Request or CRIS-Only Request to all Interconnection Customer(s) included in the Cluster of the relevant Cluster Study that accepted any required cost allocation identified in the study and paid cash or posted security, if any, for their allocated amount, in proportion to the final study cost for each Interconnection Request or CRIS-Only Request.

40.9.3.2.4 The ISO must pay the penalty set forth in the Penalty Summary for a late Affected Systems Study on a pro rata basis to all Affected System Interconnection Customer(s) included in the relevant Affected System Study that accepted any required cost allocation identified in the study and paid cash or posted security, if any, for their allocated amount, in proportion to each Affected System Interconnection Customer's final study cost.

40.9.3.2.5 The study delay penalty for each late study set forth in Sections 40.9.3.2.3 and 40.9.3.2.4 shall be distributed no later than ninety (90) Business Days after the late study has been completed, unless otherwise indicated in this Section 40.9.3.2. If a Transmission Owner is responsible for paying a penalty amount, it shall make such payment to the ISO within sixty-five (65) Business Days after the late study has been completed if not appealed by the Transmission Owner. The ISO will be responsible for distributing the penalty amount to the applicable Interconnection Customers.

40.9.3.2.6 For penalties assessed in accordance with this Section 40.9.3.2, the penalty amount will be equal to: $2,000 per Business Day for delays of Cluster Studies beyond the applicable deadline set forth in this Section 40.9.3.2 and $2,000 per Business Day for delays of Affected System Studies beyond the applicable deadline set forth in this Section 40.9.3.2. The total amount of a penalty assessed under this Section 40.9.3.2 shall not exceed: (a) one hundred percent (100%) of the initial study deposit(s) received for all of the Interconnection Requests and CRIS-Only Requests in the Cluster for Cluster Studies and (b) one hundred percent (100%) of the study deposit(s) that the ISO collects for conducting the Affected System Study.

40.9.3.2.7 The ISO and/or each Transmission Owner may appeal to the Commission any penalties set forth in the Penalty Summary that will be imposed under this Section 40.9.3.2. The Transmission Owner's right to appeal includes the right to challenge the ISO's allocation of penalty amounts in the Penalty Summary. Any such appeal must be filed no later than sixty-five (65) Business Days after the late study has been completed. While an appeal to the Commission is pending, the ISO and/or Transmission Owner shall remain liable for the penalty, but need not distribute the penalty until sixty (60) Calendar Days after the later of: (1) the deadline for filing a rehearing request has ended, if no requests for rehearing of the Commission's order on the appeal have been filed, or (2) the date that the Commission issues a substantive order on any requests for rehearing. The Transmission Owner shall make any penalty payment to the ISO within fifteen (15) Calendar Days of this date. The Commission may excuse the ISO and/or Transmission Owner from penalties under this Section 40.9.3.2 for good cause.

40.9.3.2.8 No penalty will be assessed under this Section 40.9.3.2 where a study is delayed by ten (10) Business Days or less. If the study is delayed by more than ten (10) Business Days, the penalty amount will be calculated from the first Business Day the applicable study misses its deadline.

40.9.3.2.9 If (a) a Cluster Study or Affected System Study will not be completed within the applicable deadline set forth in this Section 40.9.3.2 or an extended deadline for the study established pursuant to this Section 40.9.3.2.9 and (b) unless ten percent (10%) or more of the total number of Interconnection Requests and CRIS-Only Requests included in the relevant Cluster Study or the projects in the Affected System Study vote affirmatively against an extension, the deadline for that study shall be extended thirty (30) Business Days from the original deadline. In such a scenario, no penalty will be assessed for missing the original deadline.

40.9.3.2.10 No penalties shall be assessed until the third Cluster Study Process cycle after the Commission-approved effective date of the Standard Interconnection Procedures (i.e., the second Cluster Study Process following the completion of the Transition Cluster Study Process).

40.9.3.2.11 The ISO must maintain on its OASIS or its public website summary statistics related to penalties assessed under this Section 40.9.3.2, updated quarterly. For each calendar quarter, the ISO must calculate and post (1) the total amount of penalties assessed under this Section 40.9.3.2 during the previous reporting quarter and (2) the highest penalty assessed under this Section 40.9.3.2 paid to a single Interconnection Customer or Affected System Interconnection Customer during the previous reporting quarter. The ISO must post on its OASIS or its website these penalty amounts for each

calendar quarter within thirty (30) Calendar Days of the end of the calendar quarter. The ISO must maintain the quarterly measures posted on its OASIS or its website for three (3) calendar years with the first required posting to be the third Cluster Study Process cycle after the Commission-approved effective date of the Standard Interconnection Procedures (i.e., the second Cluster Study Process following the completion of the Transition Cluster Study Process).

40.9.4 No Prioritization of Cluster Study Projects

There will be no prioritization of the Projects grouped and studied together in a Cluster Study, except as otherwise indicated in Section 40.6.1.2 or as set forth in Section 40.7.3.4 in the event of a Physical Infeasibility determination. Each Project in a Cluster Study will, with other Projects in the same Cluster Study, share in the then currently available functional or electrical capability of the transmission system, and share in the cost of the System Upgrade Facilities required to interconnect its respective Project and, for Interconnection Customers seeking CRIS, System Deliverability Upgrades required under the NYISO Deliverability Interconnection Standard, in accordance with the rules set forth herein. For purposes of this Section 40.9.4, the "then currently available functional or electrical capability of the transmission system" is the functional or electrical capability of the transmission system currently available in the applicable base case.

40.9.5 Interconnection Facilities Covered by the Cluster Study

40.9.5.1 Interconnection Standards

The interconnection facilities covered by the Cluster Study and its cost allocation rules are (i) those required for the proposed project to reliably interconnect to the New York State Transmission System or to the Distribution System in a m**a**nner that meets the NYISO Minimum

Interconnection Standard for ERIS, and (ii) those required for the project to meet the NYISO Deliverability Interconnection Standard for CRIS.

40.9.5.2 Interconnection Facilities

The interconnection facilities covered by the Cluster Study and its cost allocation rules include the following types of facilities: Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades.

40.9.6 NYISO Minimum Interconnection Standard

40.9.6.1 Scope and Purpose of Standard

Each Facility must be evaluated under the NYISO Minimum Interconnection Standard in a Cluster Study.

40.9.6.1.1 The NYISO Minimum Interconnection Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System and to the Distribution System. The NYISO Minimum Interconnection Standard does not impose any deliverability test or deliverability requirement on the proposed project. Application of these rules, including the Cluster Baseline Assessment and the Cluster Project Assessment, to allocate responsibility for the cost of new transmission facilities to permit interconnection is not intended to affect the NYISO Minimum Interconnection Standard.

40.9.6.1.2 Consequently, the NYISO Minimum Interconnection Standard is not intended to address in any way the allocation of responsibility for the cost of upgrades and other new facilities associated with transmission service and the delivery of power across the Transmission System, the reduction of Congestion,

economic transmission system upgrades, or the mitigation of Transmission System overloads associated with the delivery of power.

40.9.6.1.3 It is not anticipated that the installation of any interconnection facilities covered by the NYISO Minimum Interconnection Standard will improve the deliverability of power, reduce Congestion, or mitigate overloads associated with the delivery of power. If the installation of any facilities by an Interconnection Customer does improve deliverability, reduce Congestion and create Incremental Transmission Congestion Contracts, or mitigate overloads, then that situation will be handled in accordance with the relevant provisions of the ISO OATT, including Sections 3.7 and 4.5, and applicable FERC precedent.

40.9.7 NYISO Deliverability Interconnection Standard

40.9.7.1 Scope and Purpose of Standard

Each proposed or existing facility larger than 2 MW, and each facility with CRIS that requests an increase to its CRIS, must meet the NYISO Deliverability Interconnection Standard before it can receive CRIS or Unforced Capacity Deliverability Rights, unless otherwise provided for in this Attachment HH. For purposes of this Section 40.9.7.1, a facility comprised of multiple Generators is a single "facility."

40.9.7.1.1 The NYISO Deliverability Interconnection Standard is designed to ensure that the Project is deliverable throughout the New York Capacity Region(s) where the Project will interconnect or is interconnected. The NYISO Deliverability Interconnection Standard is also designed to ensure that the Interconnection Customer of the Project restores the transfer capability of any Other Interfaces degraded by its interconnection.

40.9.7.1.2 Each Project electing CRIS will be allowed to become an Installed Capacity Supplier, or will be allowed to receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, in accordance with the rules of the ISO's Installed Capacity market, up to the amount of its deliverable capacity, as that amount is determined in accordance with the rules in this Attachment HH, once the Interconnection Customer of the Project has paid cash or posted Security for any required System Deliverability Upgrades in accordance with the rules in this Attachment HH.

40.9.8 Overview of Cost Allocation Rules for Cluster Study

40.9.8.1 Purpose of the Rules

As set forth in this Attachment HH, the Cluster Study will (1) allocate responsibility among Interconnection Customers, Transmission Owners, and Load Serving Entities ("LSEs"), as described herein, for the cost of the new interconnection facilities that are required for the reliable interconnection of Projects to the New York State Transmission System and to the Distribution System in compliance with the requirements of the type of interconnection service elected by the Interconnection Customer; and (2) allocate responsibility for the cost of interconnection facilities required for Capacity Resource Interconnection Service and interconnection in compliance with the NYISO Deliverability Interconnection Standard. Section 40.12 of this Attachment HH describes the rules to estimate and allocate responsibility for the cost of the interconnection facilities required for Energy Resource Interconnection Service and interconnection in compliance with the NYISO Minimum Interconnection Standard. Section 40.13 of this Attachment HH describes the rules to estimate and allocate responsibility for the cost of interconnection facilities required for CRIS and interconnection in compliance with the NYISO Deliverability Interconnection Standard. Every Interconnection Customer is responsible

for the cost of the new interconnection facilities required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules. In addition, every Interconnection Customer electing CRIS is also responsible for the cost of the interconnection facilities required pursuant to the NYISO Deliverability Interconnection Standard, as that responsibility is determined by these rules.

As described herein, the intent of the cost allocation rules for the Cluster Study in this Attachment HH is that each Interconnection Customer be held responsible for the net impact of the interconnection of its Project on the reliability of the New York State Transmission System. An Interconnection Customer is held responsible for the cost of the interconnection facilities that are required by its Project, facilities that would not be required but for its Project. However, an Interconnection Customer is not responsible for the cost of facilities that are, without considering the impact of its Project, required to maintain the reliability of the New York State Transmission System. Transmission Owners are, in accordance with the ISO OATT and FERC precedent, responsible for the cost of the facilities that are, without considering the impact of Interconnection Customer's Project, required to maintain the reliability of the New York State Transmission System.

40.9.8.2 Attachment Facilities

Each Interconnection Customer is responsible for 100% of the cost of the Attachment Facilities required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

40.9.8.3 Distribution Upgrades

Each Interconnection Customer is responsible for 100% of the cost of the Distribution Upgrades required for the reliable interconnection of its Project in compliance with the NYISO Minimum Interconnection Standard, as that responsibility is determined by these rules.

40.9.8.4 Side Agreements

These cost allocation rules will not preclude or supersede any binding cost allocation agreements that are executed between or among Interconnection Customers, Connecting Transmission Owners, and/or Affected Transmission Owners; *provided, however*, that no such agreements will increase the cost responsibility or cause a material adverse change in the circumstances as determined by these rules of any Interconnection Customer or Transmission Owner who is not a party to such agreement.

40.9.8.5 Costs Covered By Attachment HH

The interconnection facility cost allocated by these rules is comprised of all costs and overheads associated with the design, procurement, and installation of the new interconnection facilities. These rules do not address in any way the allocation of responsibility for the cost of operating and maintaining the new interconnection facilities once they are installed. Nor do these rules address in any way the ownership of the new interconnection facilities.

40.9.8.6 Dispatch Costs

Interconnection Customers, Connecting Transmission Owners, and Affected Transmission Owners will not be charged directly for any redispatch cost that may be caused by the temporary removal of transmission facilities from service to install new interconnection facilities, as such cost is reflected in Locational Based Marginal Prices. Nor will existing

generators be paid for any lost opportunity cost that may be incurred when their units are dispatched down or off in connection with the installation of new interconnection facilities.

40.9.8.7 Transmission Owners' Cost Recovery

Any Connecting Transmission Owner or Affected Transmission Owner implementation and construction of (i) System Upgrade Facilities as identified in the Cluster Baseline Assessment or Cluster Project Assessment, or (ii) System Deliverability Upgrades as identified in the Cluster Study Deliverability Study, shall be in accordance with the ISO OATT, Commission-approved ISO Related Agreements, the Federal Power Act and Commission precedent, and therefore shall be subject to the Connecting Transmission Owner's or Affected Transmission Owner's right to recover, pursuant to appropriate financial arrangements contained in agreements or Commission-approved tariffs, all reasonably incurred costs, plus a reasonable return on investment.

40.9.9 LIPA's Prospective Assumption of Cluster Study Responsibilities

40.9.9.1 LIPA Assumption of Cluster Study and Supporting Analyses

Commencing with the first Cluster Study Process following the Transitional Cluster Study, if LIPA is identified as the Connecting Transmission Owner or an Affected Transmission Owner for an Interconnection Request or CRIS-Only Request participating in the Cluster Study, LIPA will perform the responsibilities established in this Attachment HH, for, as applicable, a Connecting Transmission Owner or Affected Transmission Owner in the performance of the Phase 1 Study, Phase 2 Study, and Additional SDU Study concerning the Interconnection Request or CRIS-Only Request, in accordance with Section 40.9.9.2. LIPA's distribution system is not included within the defined scope of the Distribution System. In the event that it is determined that LIPA's distribution system may be materially affected by a Cluster Study

Project, analysis of the need for any distribution upgrades to address such material impacts shall be undertaken by LIPA as part of the Phase 1 Study and Phase 2 Study established in this Attachment HH, the procedures for which will be adopted pursuant to Section 40.9.9.2.

40.9.9.2 Applicable Procedures

Unless LIPA's Board of Trustees exercises its authority, under applicable state law, to adopt comparable standards and procedures for LIPA's responsibilities in the performance of the Cluster Study for the Long Island Transmission District, LIPA shall voluntarily follow the Cluster Study procedures set forth in this Attachment HH. For purposes of any comparability procedures for LIPA's responsibilities in the performance of the Cluster Study adopted by LIPA's Board of Trustees, such procedures shall be consistent with the applicable Connecting Transmission Owners and Affected Transmission Owners procedures for the performance of the Phase 1 Study, Phase 2 Study, and Additional SDU Study established in this Attachment HH. Upon adoption by the LIPA Board of Trustees, such procedures for the Cluster Study within the Long Island Transmission District shall be provided to the NYISO for filing with FERC on an informational basis and subject to confirmation that the adopted procedures meet the comparability standard under the Commission's reciprocity policy for the provision of interconnection service by non-jurisdictional utilities.

40.9.9.3 Disputes

With respect to any dispute arising out of, or relating to, LIPA's performance of its responsibilities under this Attachment HH that is not resolved through the dispute resolution requirements in Section 40.24.5, any succeeding action at law or equity seeking resolution of such dispute that: (i) is within the primary or exclusive jurisdiction of FERC, shall be brought in the first instance at FERC, or (ii) is raised solely within the jurisdiction of LIPA's Board of

Trustees, shall be raised in the courts of the State of New York pursuant to Article 78 of the New York Civil Practice Law and Rules or the United States District Court of the Eastern District of New York, as applicable.

40.10 Phase 1 Study Process, Development of System Models, and Phase 2 Entry Decision Period

40.10.1 Phase 1 Study Process Start Date and Duration

40.10.1.1 The Phase 1 Study process for the Cluster Study Process shall commence on the first Business Day after the end date of the Phase 1 Entry Decision Period.

40.10.1.2 The scheduled duration of the Phase 1 Study process shall be set forth in Section 40.9.2.

40.10.1.3 The Phase 1 Study process period shall conclude with the ISO's Operating Committee's approval of the Phase 1 Cost Estimates Summary Report.

40.10.2 ISO Development Work for Cluster Study Existing System Representation and Base Cases

40.10.2.1.1 The ISO will develop the Existing System Representation in accordance with the requirements in Section 40.10.3. The Existing System Representation is the foundation of the CBA and CPA base cases. The ISO shall develop the Existing System Representation and auxiliary files for a given Cluster Study during the Application Window and Customer Engagement Window for that Cluster Study Process. The Existing System Representation will be completed for a given Cluster Study after the conclusion of the Final Decision Period for the prior Class Year Study or Cluster Study and prior to the commencement of the Phase 1 Study for the ongoing Cluster Study Process.

40.10.2.1.2 Using the Existing System Representation, the ISO will develop the CBA in accordance with the requirements in Section 40.12.1. The CBA evaluates the pre-existing baseline system before the Cluster Study Projects are included and identifies any System Upgrade Facilities and associated cost estimates for the baseline system. The CBA is used to determine the cost allocation of required facilities between Transmission Owners and Cluster

Study Projects. The ISO will commence the development of the CBA base cases (*e.g.*, short-circuit, steady state) for a given Cluster Study during the Application Window and/or the Customer Engagement Window for that Cluster Study Process. The ISO will be responsible for developing and completing each CBA base case. The ISO shall provide Transmission Owners at least five (5) Business Days to review and provide comments on the draft of each CBA base case and at least five (5) Business Days to review and provide comments on any updates the ISO makes to the draft base case to address the Transmission Owner's comments.

40.10.2.1.3 The ISO will develop the CPA in accordance with the requirements in Section 40.12.2. The CPA evaluates the condition of the system with the Cluster Study Projects added to the baseline system, identifies the System Upgrade Facilities required for the Cluster Study Projects collectively, and then performs a design, preliminary engineering, and estimation of costs and time to construct for each System Upgrade Facility. The CPA determines the cost allocation of required facilities among the Cluster Study Projects. The ISO will commence the development of the CPA base cases for a given Cluster Study during the Customer Engagement Window. The ISO will be responsible for developing and completing each CPA base case. The ISO shall provide Transmission Owners at least 5 Business Days to review and provide comments on the draft of each CBA base case and at least 5 Business Days to review and provide comments on any updates the ISO makes to the draft base case to address the Transmission Owner's comments.

40.10.3 Existing System Representation

40.10.3.1 The ISO shall include in the Existing System Representation for purposes of the CBA and CPA for a given Cluster Study or Expedited Deliverability Study:

(i) the following facilities included in the ISO's most recent NYISO Load and Capacity Data Report: all generation identified as existing and all transmission facilities identified as existing and/or firm, excluding those facilities that are subject, as applicable, to Class Year Study or Cluster Study cost allocation but for which Class Year Study or Cluster Study cost allocations have not been accepted or for which cash or Security for the allocated amount has not been provided;

(ii) all proposed Projects, together with their associated System Upgrade Facilities and System Deliverability Upgrades, as applicable, that have accepted their cost allocation and paid cash or posted Security for their allocated amount in a prior Class Year Study or Cluster Study cost allocation process or for their facilities study in accordance with the Small Generator Interconnection Procedures in Attachment Z; *provided, however*, that System Deliverability Upgrades where construction has been deferred pursuant to Section 40.13.12.3.1 will only be included if construction of the System Deliverability Upgrades has been triggered under Section 40.13.12.3.1;

(iii) all Affected System Network Upgrades for which the Affected System Interconnection Customer has accepted its cost allocation and paid cash or posted Security in accordance with Section 40.8.3.10;

(iv) all proposed generators that interconnect to the distribution system through studies conducted outside of the NYISO's interconnection procedures (*e.g.*, the New York State Standardized Interconnection Requirements ("NYSSIR") process or a utility's individual interconnection procedures) and have been identified as firm in accordance with ISO Procedures;

(v) all generation and transmission retirements and derates identified in the NYISO Load and Capacity Data Report as scheduled to occur during the five-year cost allocation study planning period;

(vi) Transmission Projects that are proposed under Attachments Y or FF of the ISO OATT and have met the following milestones prior to the start date of the Customer Engagement Window for that Cluster Study Process: (1) have been triggered under the Reliability Planning Process, selected under the Short-Term Reliability Process, selected under the Public Policy Transmission Planning Process, or approved by beneficiaries under the Economic Planning Process, (2) have, if applicable, a completed System Impact Study in accordance with Attachment P to the ISO OATT, and (3) are making reasonable progress under the applicable OATT Attachments Y or FF planning process;

(vii) Transmission Projects that are not proposed under Attachments Y or FF to the ISO OATT that have completed a Facilities Study and posted Security for Network Upgrade Facilities as required in Section 22.11.1 of Attachment P to the ISO OATT (if applicable);

(viii) transmission projects that are not subject to the Transmission Interconnection Procedures, the Standard Large Facility Interconnection Procedures, or the Standard Interconnection Procedures (*i.e.*, new transmission facilities or upgrades proposed by a Transmission Owner in its Local Transmission Owner Plan or NYPA transmission plan) identified as "firm" by the Connecting Transmission Owner before the start date of the Customer Engagement Window for the Cluster Study Process and either (1) have commenced a Facilities Study in accordance with Section 3.7 of the OATT (if applicable) and have an Article VII application deemed complete (if applicable); or (2) are under construction and scheduled to be in-service within 12 months after the Cluster Study Process Start Date; and

(ix) all other changes to existing facilities – other than changes that are subject to, as applicable, Class Year Study or Cluster Study cost allocation but that have not accepted their Class Year or Cluster Study cost allocation or have not paid cash or posted Security for their accepted cost allocation – that are identified in the NYISO Load and Capacity Data Report or reported before the start date of the Customer Engagement Window for the Cluster Study Process by Market Participants to the ISO as scheduled to occur during the five year cost allocation study planning period.

40.10.3.2 Facilities in a Mothball Outage, an ICAP Ineligible Forced Outage, or Inactive Reserves will be modeled as in, and not removed from, the Existing System Representation.

40.10.3.3 If the ISO has triggered multiple Transmission Projects under its Reliability Planning Process, the ISO will include in the base case the selected Transmission Project until or unless that project is halted or its Development Agreement is terminated, in which case the ISO will include in the base case the regulated backstop solution.

40.10.3.4 The point of interconnection of a Retired generator with a terminated interconnection agreement is available to proposed facilities on a non-discriminatory basis pursuant to the ISO's applicable interconnection and transmission expansion processes and procedures. A Retired generator with an interconnection agreement that remains in effect after it is Retired will retain its right to the specific point of interconnection as provided for in the interconnection agreement and access to this point will not be available for new facilities.

40.10.4 Phase 1 Study Scope and Procedures

40.10.4.1 Within five (5) Business Days of the Phase 1 Study Start Date, the ISO will provide to the Connecting Transmission Owners and Affected Transmission Owners an updated Cluster Study Project List and the finalized CPA short-circuit base case. Upon the ISO's

submission of these materials, (i) the Connecting Transmission Owner identified by the ISO pursuant to Section 40.5.7.1.1 on which system a Cluster Study Project proposes to interconnect shall commence and perform a Phase 1 Study for that project, and (ii) any Affected Transmission Owner identified by the ISO pursuant to Section 40.5.7.1.1 which system is impacted by the proposed interconnection of a Cluster Study Project shall commence and perform a separate Phase 1 Study for that project, unless the Affected Transmission Owner indicates that no study is required or agrees with the Connecting Transmission Owner to include its input with the Connecting Transmission Owner's Phase 1 Study report. For the Transition Cluster Study, if, within ten (10) Business Days of the start of the Customer Engagement Window, a Connecting Transmission Owner or Affected Transmission Owner demonstrates to the ISO good cause that it is unable to perform or use a contractor to perform (i) a Phase 1 Study in accordance with the requirements in Sections 40.10.4 and 40.10.5, and/or (ii) the Transmission Owner's responsibilities for the Phase 2 Study in accordance with the requirements in Section 40.11.2.2 and 40.11.4, or (iii) the Transmission Owner's responsibilities for the Additional SDU Study in accordance with the requirements in Section 40.14.2.2, then the ISO will use a third party contractor pursuant to Section 40.24.4 to perform the studies in accordance with the requirements in, as applicable, Sections 40.10.4, 40.10.5, 40.11.2.2, 40.11.4, and 40.14.2.2 provided that the Connecting Transmission Owner or Affected Transmission Owner will use commercially reasonable efforts, and coordinate directly with the ISO or its contractor (as applicable), to support the development of and performance of the studies and the completion of the draft and final studies within the timeframes in, as applicable, Sections 40.10.4, 40.10.5, 40.11.2.2, 40.11.4, and 40.14.2.2. The Phase 1 Studies for all of the Cluster Study Projects participating in a given Cluster shall be performed to the extent practicable on a concurrent basis

during the Phase 1 Study period; *provided, however*, that a Phase 1 Study will not be performed for a CRIS-Only Cluster Study Project.

40.10.4.2 For purposes of the Phase 1 Study, the Connecting Transmission Owner or Affected Transmission Owner shall perform a design and engineering study to identify the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities, along with the related metering, protection, and telecommunication facilities, required to reliably interconnect the Cluster Study Project with the New York State Transmission System or Distribution System in accordance with Applicable Reliability Requirements to the extent such upgrades are not Physically Infeasible. The Phase 1 Study will evaluate any potential control equipment proposed by the Interconnection Customer for requests for ERIS that are lower than the full output of the Facility and will identify any required interconnection facilities for system protection and coordination purposes. The Phase 1 Study will also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment.

40.10.4.3 The Phase 1 Study shall determine a +30%/-15% estimate of the costs of the equipment, engineering and design work, procurement and construction work and commissioning of the required Local System Upgrade Facilities, Distribution Upgrades, and Connecting Transmission Owner's Interconnection Facilities that are identified in the study in accordance with Good Utility Practice and, for each of these cost categories, shall specify and estimate the cost of the work to be done at each substation and/or transmission or, if applicable, distribution line to physically and electrically connect each facility in the Cluster to the New York State Transmission System and Distribution System. The Transmission Owner will calculate cost estimates based on the assumption that the activities for which the cost estimates

are calculated are the responsibility of the Transmission Owner and shall be subject to reasonable exclusions (*e.g.*, environmental, subsurface conditions, permitting, site acquisition costs). The categories of costs excluded from the estimates shall be identified in the Phase 1 Study report and the Standard Interconnection Agreement. The Phase 1 Study shall also include a preliminary schedule showing the estimated time required to complete the engineering and design, procurement, construction, installation and commissioning phases for the required Local System Upgrade Facilities, Distribution Upgrades, and Connecting Transmission Owner's Interconnection Facilities identified in the study.

40.10.4.4 Upon request, the Connecting Transmission Owner or Affected Transmission Owner shall provide each Cluster Study Project for which it has performed a Phase 1 Study supporting documentation, workpapers, and databases or data developed in the preparation of the Phase 1 Study, subject to non-disclosure arrangements consistent with Section 40.24.1.

40.10.4.5 The ISO, Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator, as applicable, may use subgroups in the Phase 1 Study or Phase 2 Study. The criteria used to define and determine subgroups will be set forth in ISO Procedures.

40.10.4.6 Prior to the end of the Application Window of a given Cluster Study Process, the ISO and Transmission Owners shall enter into appropriate agreements concerning the performance of that Cluster Study, which terms shall not be inconsistent with the requirements in this Attachment HH.

40.10.5 Phase 1 Study Reports

The Connecting Transmission Owner or Affected Transmission Owner shall provide its draft Phase 1 Study report for a Cluster Study Project to the Interconnection Customer and the ISO no later than one hundred fifty (150) Calendar Days after the date the ISO provided it with

the updated Cluster Study Project List and the CPA short-circuit base case pursuant to Section 40.10.4.1. The ISO shall establish a period of at least ten (10) Business Days for the Interconnection Customer, Affected Transmission Owner(s), and the ISO to review and provide comments on the draft report. The Connecting Transmission Owners and Affected Transmission Owners shall review comments and issue a finalized Phase 1 Study report to the ISO no later than one hundred eighty (180) Calendar Days after the date the ISO provided it with the updated Cluster Study Project List and the CPA short-circuit base case pursuant to Section 40.10.4.1.

40.10.6 Stakeholder Review of the Phase 1 Cost Estimates Summary Report

Following the ISO's receipt of the draft Phase 1 Study reports, the ISO will present a draft Phase 1 Cost Estimates Summary Report that summarizes the cost estimates identified for Cluster Study Projects in the draft Phase 1 Studies to the ISO's Operating Committee's Transmission Planning Advisory Subcommittee. Following its receipt of the finalized Phase 1 Study reports, the ISO will update the draft Phase 1 Cost Estimates Summary Report and present the final Phase 1 Cost Estimates Summary Report to stakeholders for approval at the ISO's Operating Committee.

40.10.7 Preparatory Work for Phase 2 Study

40.10.7.1 Bus Flow Analysis and Individual Breaker Analysis

40.10.7.1.1 Within sixty (60) Calendar Days of the Phase 1 Study Start Date, the ISO will provide to the Connecting Transmission Owners the finalized CBA and CPA steady state base cases. Except as otherwise indicated in Section 40.10.7.1.3, upon the ISO's submission of these base cases, the Connecting Transmission Owner shall be responsible for performing the bus flow analysis, as applicable, for its system for purposes of the ISO's thermal analysis for the

Phase 2 Study and coordinating with the ISO for the development of any required solutions within the timeframe set forth in Section 40.10.7.1.4.

40.10.7.1.2 During the Phase 1 Study process, the ISO, in consultation with the Connecting Transmission Owner, will determine whether an assessment of individual breakers on the Connecting Transmission Owner's system is required. Except as otherwise indicated in Section 40.10.7.1.3, upon this determination, the Connecting Transmission Owner shall be responsible for performing the individual breaker analysis for its system for purposes of the ISO's short-circuit analysis for the Phase 2 Study and coordinating with the ISO for the development of any required solutions within the timeframe set forth in Section 40.10.7.1.4.

40.10.7.1.3 A Connecting Transmission Owner may elect for the ISO to perform the bus flow analysis and/or the individual breaker analysis for that Connecting Transmission Owner's system by notifying the ISO of this election within fifteen (15) Business Days of the start date of the Customer Engagement Window. If a Connecting Transmission Owner makes this election, it must provide the ISO with the ratings of its equipment and the one-line diagrams for the Cluster Study Projects proposing to connect to its system within sixty (60) Calendar Days of the Phase 1 Study Start Date to enable the ISO to perform the analysis, provided that the ISO and Connecting Transmission Owner may agree that this information is only required for certain projects. The ISO shall then be responsible for performing the bus flow analysis and/or individual breaker analysis for the Connecting Transmission Owner's system within the timeframe set forth in Section 40.10.7.1.4.

40.10.7.1.4 The Connecting Transmission Owner or ISO, as applicable, may commence the bus flow analysis during the Phase 1 Study and must complete the analysis and the Connecting Transmission Owner must identify any required solutions no later than sixty (60)

Calendar Days after the Phase 2 Study Start Date. The Connecting Transmission Owner or ISO, as applicable, may commence the individual breaker analysis during the Phase 1 Study and must complete the analysis and the ISO must identify any required solutions no later than sixty (60) Calendar Days after the Phase 2 Study Start Date. Within this time period, the Connecting Transmission Owner or ISO performing the analysis must provide the other entity (*i.e.*, the ISO or Connecting Transmission Owner) a period of at least ten (10) Business Days to review and provide comments on the draft results of the analysis.

40.10.7.2 Cost Recovery

To the extent the ISO, Connecting Transmission Owner(s), and Affected Transmission Owners commence study work for the Phase 2 Study during the Phase 1 Study period, Interconnection Customers shall be responsible for such study costs.

40.10.8 Phase 2 Entry Decision Period

40.10.8.1 The Phase 2 Entry Decision Period for the Cluster Study Process shall commence on the first Business Day after the ISO's Operating Committee's approval of the Phase 1 Cost Estimates Summary Report in accordance with Section 40.10.6.

40.10.8.2 The Phase 2 Entry Decision Period shall be a ten (10) Business Day period.

40.10.8.3 A Cluster Study Project shall be included in the Phase 2 Study if, during the Phase 2 Entry Decision Period, the Interconnection Customer for the Cluster Study Project notifies the ISO of its election to proceed to the Phase 2 Study, and, as applicable:

(i) satisfies the Readiness Deposit 2 requirements for its Cluster Study Project as determined in accordance with Section 40.10.8.4; *provided, however*, that a CRIS-Only Cluster Study Project is not required to provide Readiness Deposit 2 to proceed to the Phase 2 Study; and

(ii) if Interconnection Customer submitted a Site Control Deposit with its Interconnection Request in lieu of demonstrating Site Control in accordance with Section 40.5.5.1.5.1, Interconnection Customer must satisfy the requirements in Section 40.5.5.4.

40.10.8.4 The Readiness Deposit 2 for a Cluster Study Project is the greater of: (i) the Readiness Deposit 1 amount for the Cluster Study Project, and (ii) 20% of the cost estimate determined in the Phase 1 Study for any Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities for the Cluster Study Project.

40.10.8.4.1 To satisfy the Readiness Deposit 2 requirement for the Cluster Study Project, the Interconnection Customer must submit to the ISO during the Phase 2 Entry Decision Period in accordance with the requirements in Section 40.2.4.2 the incremental difference, if any, between the Readiness Deposit 1 amount that it previously submitted for the project and the Readiness Deposit 2 amount for the project calculated pursuant to this Section 40.10.8.4. If the Readiness Deposit 1 amount for the project is the same as the Readiness Deposit 2 amount calculated pursuant to this Section 40.10.8.4, Interconnection Customer is not required to take any action during the Phase 2 Entry Decision Period to satisfy the Readiness Deposit 2 requirement.

40.10.8.4.2 The Readiness Deposit 1 amount for the Cluster Study Project and the incremental difference for the project, if any, submitted by the Interconnection Customer pursuant to this Section 40.10.8.4 shall, in total, constitute the Readiness Deposit 2 for the Cluster Study Project and replace the Readiness Deposit 1 for the project.

40.10.9 Withdrawal and Withdrawal Penalties

40.10.9.1 If an Interconnection Customer does not satisfy the requirements in Section 40.10.8.3 for the Cluster Study Project to proceed to the Phase 2 Study, then the ISO shall withdraw the Interconnection Request or CRIS-Only Request for the Cluster Study Project from the ISO's Queue pursuant to the Withdrawal requirements in Section 40.6.4.

40.10.9.2 If an Interconnection Customer withdraws the Interconnection Request or CRIS-Only Request for a Cluster Study Project, or the Interconnection Request or CRIS-Only Request for the Cluster Study Project is deemed withdrawn by the ISO, from the ISO's Queue during the Phase 1 Study or at the Phase 2 Entry Decision Period, the Interconnection Customer for the Cluster Study Project shall pay a Withdrawal Penalty in an amount equal to fifty percent (50%) of its initial Study Deposit and ten percent (10%) of its Readiness Deposit 1 for the project; except for the following:

(i) a CRIS-Only Cluster Study Project shall only pay a Withdrawal Penalty in the amount of fifty percent (50%) of its initial Study Deposit amount;

(ii) if the ISO determined that the Cluster Study Project cannot move forward due to Physical Infeasibility pursuant to Section 40.7.3, then the Cluster Study Project shall not be assessed a Withdrawal Penalty; and

(iii) if the Interconnection Request or CRIS-Only Request was for a Contingent Project that was withdrawn by the ISO pursuant to Section 40.5.4.1.3, then the Interconnection Request or CRIS-Only Request shall not be assessed a Withdrawal Penalty.

40.10.9.3 The ISO shall invoice, and Interconnection Customer shall pay, for any Withdrawal Penalty as set forth in Section 40.24.3.

40.10.9.4 The ISO shall apply the collected Withdrawal Penalty Funds pursuant to Section 40.6.5.

40.11 Phase 2 Study

40.11.1 Phase 2 Study Process Start Date and Duration

40.11.1.1 The Phase 2 Study process for the Cluster Study Process shall commence on the first Business Day after the end date of the Phase 2 Entry Decision Period.

40.11.1.2 The duration of the Phase 2 Study process shall be set forth in Section 40.9.2.

40.11.1.3 The Phase 2 Study process period shall conclude with the ISO's Operating Committee's approval of the Cluster Study Report.

40.11.2 Phase 2 Study - Scope and Procedures of Energy Resource Interconnection Services Analysis

40.11.2.1 For the Phase 2 Study, for purposes of assessing the requested ERIS for the Cluster Study Projects on a concurrent basis, the ISO shall perform short-circuit/fault duty, steady state (thermal and voltage) and stability analyses using the CBA and CPA base cases to identify the System Upgrade Facilities and Distribution Upgrades required for the reliable interconnection of Facilities to the New York State Transmission System or to the Distribution System in compliance with the NYISO Minimum Interconnection Standard in accordance with the requirements in Section 40.12, to the extent such System Upgrade Facilities and Distribution Upgrades are not Physically Infeasible. The Connecting Transmission Owner and/or ISO, as applicable and in consultation with each other, shall complete within sixty (60) Calendar Days of the Phase 2 Study Start Date in accordance with the requirements in Section 40.10.7.1: (i) the bus flow analysis for the ISO's thermal analysis and the Connecting Transmission Owner's identification of any required solutions and (ii) the individual breaker analysis for the ISO's short-circuit analysis and the ISO's identification of any required solutions.

40.11.2.2 Within five (5) Business Days of the Phase 2 Study Start Date, the ISO will submit to the Connecting Transmission Owner and Affected Transmission Owner an updated Cluster Study Project List and an updated CPA short-circuit model. Upon the ISO's submission of these materials, the Connecting Transmission Owners and Affected Transmission Owners shall within one hundred seventy-five (175) Calendar Days: (i) provide draft updates to the Connecting Transmission Owner's Attachment Facilities. Distribution Upgrades, and System Upgrade Facilities identified in the Phase 1 Study for individual Cluster Study Projects and the related cost estimates if there are changes to this equipment and related costs resulting from another Cluster Study Project's withdrawal after the Phase 1 Study, and (ii) perform sensitivity analysis to account for the impacts of Cluster Study Projects withdrawing during the Phase 2 Study. The ISO shall establish a period of at least ten (10) Business Days for the Interconnection Customer, Affected Transmission Owner(s), and the ISO to review and provide comments on any updates to the Phase 1 Study results and for the ISO to review and provide comments on the sensitivity analysis. The Connecting Transmission Owners and Affected Transmission Owners shall review comments and issue finalized updates and sensitivities to the ISO no later than two hundred five (205) Calendar Days after the date the ISO provided it with the updated Cluster Study Project List and the updated CPA short-circuit base case pursuant to this Section 40.11.2.2.

40.11.2.3 The ISO shall also determine as set forth in Section 40.17 any electrical or functional headroom reimbursements from the current Cluster Study to prior Class Year Projects or Cluster Study Projects.

40.11.3 Phase 2 Study – Scope of Capacity Resource Interconnection Service Analysis

40.11.3.1 For the Phase 2 Study, the ISO shall perform a Cluster Study Deliverability Study in accordance with Section 40.13 for the Cluster Study Projects requesting CRIS, including CRIS-Only Cluster Study Projects, on a concurrent basis to assess their reliable interconnection with the requested CRIS in compliance with the NYISO Deliverability Interconnection Standard. The ISO will: (i) assess the amount of requested CRIS that would be deliverable without System Deliverability Upgrades, if any; (ii) identify the System Deliverability Upgrades required to make the requested CRIS fully deliverable, to the extent not Physically Infeasible; and (iii) determine whether an Additional SDU Study for a new System Deliverability Upgrade is required. If a new Additional SDU Study is required as set forth in Section 40.14.1, the ISO shall perform such study in accordance with the requirements in Section 40.14.

40.11.4 Determination of Cost Estimates and Schedule for System Upgrade Facilities, Distribution Upgrades, and System Deliverability Upgrades Identified in Phase 2 Study

40.11.4.1 Within sixty (60) Calendar Days of the Phase 2 Study Start Date, the ISO will submit to the Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator any System Upgrade Facilities, Distribution Upgrades, and System Deliverability Upgrades identified by the ISO in accordance with Sections 40.11.2 and 40.11.3 and their major electrical characteristics. Upon the ISO's submission of the identified upgrades, (i) the Connecting Transmission Owner identified by the ISO pursuant to Section 40.5.7.1.1 on which system a Cluster Study Project proposes to interconnect shall commence and perform a Phase 2 Study for that project as described in this Section 40.11.4, and (ii) any Affected

Transmission Owner or Affected System Operator identified by the ISO pursuant to Section 40.5.7.1.1 which system is impacted by the proposed interconnection of a Cluster Study Project shall commence and perform a separate Phase 2 Study for that project, unless the Affected Transmission Owner or Affected System Operator indicates that no study is required or agrees with the Connecting Transmission Owner to include its input with the Connecting Transmission Owner's Phase 2 Study report.

40.11.4.2 The applicable Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall determine a +30%/-15% estimate of the costs of the equipment, engineering and design work, procurement and construction work and commissioning of the required System Upgrade Facilities, Distribution Upgrades, and System Deliverability Upgrades described in Sections 40.11.2.1 and 4.11.3 that are identified by the ISO and, for each of these cost categories, shall specify and estimate the cost of the required work. The Transmission Owner will calculate cost estimates based on the assumption that the activities for which the cost estimates are calculated are performed by the Transmission Owner and shall be subject to reasonable exclusions (e.g., environmental, subsurface conditions, permitting, site acquisition costs). The categories of costs excluded from the estimate shall be identified in the Phase 2 Study report and the Standard Interconnection Agreement. The Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall also determine a preliminary schedule showing the estimated time required to complete the engineering and design, procurement, construction, installation and commissioning phases for the required System Upgrade Facilities, Distribution Upgrades, and System Deliverability Upgrades.

40.11.4.3 The Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall provide the ISO with a draft Phase 2 Study of the cost estimates and preliminary schedule for the upgrades identified by the ISO within one hundred fifty (150) Calendar Days after the date the ISO provided it with the identified upgrades in accordance with Section 40.11.4.1. The ISO shall establish a period of at least (10) Business Days for the Interconnection Customer, Affected Transmission Owner(s)/Affected System Owners, and the ISO to review and provide comments on the draft Phase 2 Study. The Connecting Transmission Owners and Affected Transmission Owners shall review comments and issue finalized Phase 2 Study to the ISO no later than one hundred eighty (180) Calendar Days after the date the ISO provided it with the identified upgrades in accordance with Section 40.11.4.1.

40.11.5 Phase 2 Study – Additional Requirements

40.11.5.1 The Phase 2 Study shall evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting. The ISO shall evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, Applicable Reliability Requirements, and Applicable Laws and Regulations. The ISO shall include an explanation of the results of the ISO's evaluation for each technology in the Cluster Study Report.

40.11.5.2 The Cluster Study Report will provide a list of the non-Local System Upgrade Facilities and System Deliverability Upgrades required as a result of the Interconnection Requests and CRIS-Only Requests within the Cluster and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

40.11.5.3 The ISO shall coordinate the Phase 2 Study with the Connecting Transmission Owner and Affected Transmission Owners, and with any other Affected System pursuant to Section 40.8. The ISO shall utilize existing studies to the extent practicable in performing the Phase 2 Study, including in performing the CBA, CPA, and Cluster Study Deliverability Study.

40.11.5.4 Upon request, the ISO, Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall provide each Cluster Study Project supporting documentation, workpapers, and databases or data developed in the preparation of the Phase 2 Study, subject to non-disclosure arrangements consistent with Section 40.24.1.

40.11.6 Status of Cluster Study Projects

40.11.6.1 At the completion of the first calendar quarter following the Phase 2 Study Start Date, and at the conclusion of each subsequent calendar quarter, Interconnection Customer shall submit to the ISO an updated proposed Initial Backfeed Date, an updated proposed Synchronization Date, and an updated proposed Commercial Operation Date.

40.11.6.2 At the completion of the first month following the Phase 2 Study Start Date, and at the conclusion of every other month, for each Cluster Study Project not yet in-service, the Cluster Study Project, that Cluster Study Project's Connecting Transmission Owner and each Affected Transmission Owner(s) shall report on the progress of their respective activities to the ISO and to each other. Such reports shall be in a format consistent with, and include the content required by, applicable ISO Procedures.

40.11.7 Stakeholder Review of the Cluster Study Report

Following the ISO's receipt of the finalized Phase 2 Study reports from the Connecting Transmission Owners, Affected Transmission Owners, and Affected System Operators pursuant to Section 40.11.4, the ISO shall complete the draft Cluster Study Report, which shall include the

results of the Cluster Baseline Assessment, Cluster Project Assessment and Cluster Study Deliverability Study components of the Phase 2 Study. For a Facility comprised of multiple Generators, the Cluster Study Report will identify the allocation of the Cluster Study Project's requested CRIS among its multiple Generators, as applicable. The ISO will present the draft Cluster Study Report to the ISO Operating Committee's Transmission Planning Advisory Subcommittee and Interconnection Project Facilities Study Working Group, and the ISO will then present the draft Cluster Study Report to the ISO's Operating Committee for its approval. Upon the Operating Committee's approval, the Cluster Study Report will be final, subject to any revisions during the Final Decision Period.

40.11.8 Re-Study

If re-study of the Cluster Study and cost allocation report is required pursuant to Section 40.15.2 and Section 40.15.3, the ISO shall so notify Cluster Study Projects and conduct such re-study in accordance with the requirements of this Attachment HH. Any cost of re-study shall be borne by the Cluster Study Projects being re-studied.

40.12 Cluster Baseline Assessment and Cluster Project Assessment

40.12.1 Cluster Baseline Assessment (CBA) for Cost Allocation Between Interconnection Customers and Connecting Transmission Owners

The cost of System Upgrade Facilities is first allocated between Interconnection Customers and Connecting Transmission Owners in accordance with the rules that are discussed below in this Section 40.12.1. For purposes of this 40.12.1, the requirements applicable to Connecting Transmission Owner also apply to Affected Transmission Owner or Affected System Operator.

40.12.1.1 The cost of System Upgrade Facilities is allocated between Interconnection Customers and Connecting Transmission Owners based upon the results of a Cluster Baseline Assessment of the five-year need for System Upgrade Facilities. The Cluster Baseline Assessment, as described in these rules, will be conducted by the ISO in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Cluster Baseline Assessment. The ISO will have decisional control over the entire Cluster Baseline Assessment. If, at any time, the ISO decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Cluster Baseline Assessment, then the ISO will enter into appropriate contracts with such entities for such input. As it conducts each Cluster Baseline Assessment, the ISO will provide regularly scheduled status reports and working drafts, with supporting data, to the ISO Operating Committee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Cluster Baseline Assessment will be

reviewed and approved by the ISO Operating Committee as part of the Cluster Study Report in accordance with 40.11.7. Each Cluster Baseline Assessment is reviewable by the ISO Board of Directors in accordance with provisions of the Commission-approved ISO Agreement.

40.12.1.1.1 The purpose of the Cluster Baseline Assessment is to identify the System Upgrade Facilities that Transmission Owners are expected to need during the five-year period covered by the assessment to reliably meet the load growth and changes in the load pattern projected for the New York Control Area, with cost estimates for the System Upgrade Facilities.

40.12.1.2 Procedure for Cluster Baseline Assessment

The Cluster Baseline Assessment procedure used to identify the System Upgrade Facilities that will ensure that New York State Transmission System facilities are sufficient to reliably serve existing load and meet load growth and changes in load patterns in compliance with NYSRC Reliability Rules, NPCC Basic Design and Operating Criteria, NERC Planning Standards, ISO rules, practices and procedures, and the applicable Transmission Owner criteria included in FERC Form No. 715 (collectively "Applicable Reliability Requirements"). In order for the ISO to recognize any revisions to Transmission Owner criteria as Applicable Reliability Requirements under this Attachment HH, the Transmission Owner shall present proposed revisions to such criteria to the ISO Operating Committee or one of its subcommittees. To the extent such revised criteria are not inconsistent with Order No. 2003 or the ISO's interconnection procedures set forth in this Attachment HH to the OATT, the ISO will accept such revised criteria. The procedure will use the Applicable Reliability Requirements in effect when the Cluster Baseline Assessment is commenced. The procedure will be:

40.12.1.2.1 The ISO will first develop the Existing System Representation.

40.12.1.2.2 The ISO will then utilize the Existing System Representation to develop existing system improvement plans with each Transmission Owner. These improvement plans will use ISO data from the annual NYISO Load and Capacity Data Report to project system load growth and changes in load patterns, including those that reflect demand side management, and will identify the System Upgrade Facilities needed year-by-year for the existing system to reliably serve projected load in the Transmission Owner's Transmission District for a five-year period. The ISO will integrate these existing system improvement plans into the Cluster Baseline Assessment to ensure that the System Upgrade Facilities needed for a five-year period are identified on a New York State Transmission System-wide basis. The Cluster Baseline Assessment will identify each anticipated System Upgrade Facility project, its estimated cost, its anticipated in-service date, and the status of the project (in construction, budget approval received, budget approval pending).

40.12.1.2.3 The ISO will identify in the Cluster Baseline Assessment the System Upgrade Facilities needed to reliably meet projected load growth and changes in load pattern without the interconnection of any proposed Cluster Study Projects, except for those proposed Projects included in the Existing System Representation pursuant to Section 40.10.3.

40.12.1.2.4 The ISO will perform thermal, voltage, and stability analyses, as appropriate, to determine the normal and emergency transfer capabilities of the statewide existing system.

40.12.1.2.5 The ISO will rely on the most recent resource reliability analysis of the existing system. If no Reliability Needs are required under the study assumptions used in the most recent resource reliability analysis, the existing system will be deemed to meet Applicable Reliability Requirements for purposes of the Cluster Study.

40.12.1.2.6 If the transmission and generation facilities included in the Existing System Representation, combined with previously approved and accepted System Upgrade Facilities, are insufficient to meet Applicable Reliability Requirements on a year by year basis, then the ISO will develop feasible generic solutions that satisfy the Applicable Reliability Requirements, in accordance with Section 40.12.1.3, below.

40.12.1.2.7 If the existing system meets Applicable Reliability Requirements, the ISO will perform short-circuit analysis to determine whether there is sufficient interrupting capability in the existing system. If there are any breaker overloads, the ISO will determine the System Upgrade Facilities needed to mitigate the short circuit overloads.

40.12.1.2.8 A reassessment of Sections 40.12.1.2.4 through 40.12.1.2.6 shall be reassessed and, to the extent required by Good Utility Practice, repeated if the improvement plan impacts the transmission transfer capability of the system. The results of the short-circuit analysis will be treated in the same manner as the results of thermal, voltage and stability analyses for all purposes under these cost allocation rules.

40.12.1.2.9 Each Cluster Baseline Assessment conducted by the ISO will be reviewed and approved by the ISO Operating Committee, and its effectiveness will be subject to the approval of the ISO Operating Committee. In its report to the ISO Operating Committee, the ISO shall explain its reasons for all of its recommendations.

40.12.1.2.10 Each most recently completed Cluster Baseline Assessment will be reviewed during the next Cluster Study Process by the ISO and updated, as necessary, following the criteria and procedures described herein.

40.12.1.3 In developing solutions as required by Section 40.12.1.3.6, the ISO will, as it develops its own generic solutions, also utilize the following procedures:

40.12.1.3.1 The ISO will first select as generic solutions proposed Cluster Study Projects sufficient to meet Applicable Reliability Requirements on a year by year basis. If a proposed Cluster Study Project is larger than necessary, the ISO shall select that portion or segment of the project that is sufficient to meet but not exceed Applicable Reliability Requirements. If the proposed Cluster Study Project is not capable of being segmented or if the Cluster Study Project cannot meet Applicable Reliability Requirements on a year by year basis, the ISO shall not select it.

40.12.1.3.2 If the generation and transmission facilities included in the Existing System Representation, together with any proposed Cluster Study Projects that qualify as solutions pursuant to Section 40.12.1.3.1, above, are not sufficient to meet Applicable Reliability Requirements, the ISO shall complete the development of its own generic solutions, taking into account any generic

solutions proposed pursuant to Section 40.12.1.3.3, below, for inclusion in the CBA.

40.12.1.3.3 Market Participants may also propose generic solutions for inclusion in the CBA. The Market Participant proposing such solutions shall provide the ISO with all data necessary for the ISO to determine the feasibility of such proposed generic solutions.

40.12.1.3.4 The ISO shall develop and consider alternative sets of proposed generic solutions that fairly represent the range of feasible solutions to Applicable Reliability Requirements.

40.12.1.3.5 The ISO shall determine the feasibility of additional generic solutions developed pursuant to Sections 40.12.1.3.2, 40.12.1.3.3, and 40.12.1.3.4, according to the following criteria:

40.12.1.3.5.1 The ISO shall select only solutions that are based on proven technologies that have actually been licensed and financed, are under construction or have already been built in similar locations.

40.12.1.3.5.2 The ISO shall select as additional generic solutions only facilities that can reasonably be placed in service in time to meet Applicable Reliability Requirements on a year by year basis. In making this determination, the ISO shall consider the size and type of facility, access to fuel, access to transmission facilities, transmission upgrade requirements, construction time, and Good Utility Practice.

40.12.1.3.6 The ISO will submit its proposed generic solutions and the alternatives that it considered to Market Participants and to an independent expert for review

and will make the results of the expert's review available to Market Participants. The independent expert shall review the feasibility of the proposed generic solutions developed pursuant to Sections 40.12.1.3.2, 40.12.1.3.3, and 40.12.1.3.4, and of generic solutions based on the segmentation of any Cluster Study Project under Section 40.12.1.3.1, according to the criteria set forth in Section 40.12.1.3.5.

40.12.1.3.6.1 If the independent expert concludes that one or more generic solutions is not feasible, the ISO shall eliminate that solution from further review.

40.12.1.3.6.2 If the ISO does not adopt the expert's recommendations, it will state in its report to the ISO Operating Committee its reasons for not adopting those recommendations.

40.12.1.3.7 Subject to Section 4.12.1.3.7.1, below, in the event that more than one generic solution or set of solutions satisfies the feasibility requirement of Section 40.12.1.3.5 and 40.12.1.3.6, the ISO shall compare the System Upgrade Facilities that would be necessary to interconnect each such generic solution and shall adopt the solution that is most consistent with Good Utility Practice. For these purposes, in comparing alternative solutions, a generic solution that satisfies sub-load pocket deficiencies shall normally be selected first.

40.12.1.3.7.1 The ISO shall be responsible for determining whether any generic solution or proposed Cluster Study Project meets Applicable Reliability Requirements.

40.12.1.4 With the exception of those upgrades that were previously allocated to, and accepted by Cluster Study Projects as a part of the Cluster Project Assessment in the Final Decision Round of previous Class Years or Cluster Studies, Interconnection Customers are not responsible for the cost of any System Upgrade Facilities that are identified in the Cluster Baseline Assessment, or any System Upgrade Facilities that resolve in whole or in part a deficiency in the system identified in the Cluster Baseline Assessment.

40.12.1.5 Interconnection Customers are responsible for 100% of the cost of the System Upgrade Facilities that are not already identified in the Cluster Baseline Assessment and are required for their Projects to reliably interconnect to the transmission system in a manner that meets the NYISO Minimum Interconnection Standard. The System Upgrade Facilities necessary to accommodate Cluster Study Projects will be determined by the Phase 1 Study and the Cluster Project Assessment. The criteria and procedures that will be followed to conduct the Cluster Project Assessment are discussed in Section 40.12.2 below.

40.12.1.5.1 If a Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator, or Interconnection Customer elects to construct System Upgrade Facilities that are larger or more extensive than the minimum facilities required to reliably interconnect the proposed Cluster Study Project, and are reasonably related to the interconnection of the proposed project, then the entity that make such election is responsible for the cost of those System Upgrade Facilities in excess of the minimum System Upgrade Facilities required by the Cluster Study Project. If there is Headroom associated with these larger System

Upgrade Facilities and an Interconnection Customer of any subsequent project interconnects and uses the Headroom within ten (10) years of its creation, such subsequent Interconnection Customer shall pay the Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator, or the Interconnection Customer for this Headroom in accordance with these rules, including Section 40.17.

40.12.1.6 The System Upgrade Facilities cost for which an Interconnection Customer is responsible will be determined on a "net" basis; that is, the Interconnection Customer's System Upgrade Facilities cost will be determined net of the benefits, or System Upgrade Facility cost reductions, that result from the construction and operation of its project and the related upgrades. The net cost responsibility of an Interconnection Customer will not be less than zero. Also, the cost responsibility of the Connecting Transmission Owner for System Upgrade Facilities will be no greater than it would have been without the Interconnection Customer's project. Specifically, the Connecting Transmission Owner shall not be required to pay (in total) more than 100% of the cost of installing a specific piece of equipment.

40.12.1.6.1 The purpose of this approach is to allocate to the Interconnection Customer the responsibility for the cost of the net impact of its project on the needs of the New York State Transmission System for System Upgrade Facilities. Thus, an Interconnection Customer is responsible for the cost of the System Upgrade Facilities that are required by, or caused by, its project. An Interconnection Customer is not responsible for the cost of System Upgrade

Facilities that would be required anyway, without the construction of its project. If an Interconnection Customer's project reduces the cost of System Upgrade Facilities that would be required anyway, that beneficial cost reducing impact will be recognized.

40.12.1.6.2 The net System Upgrade Facilities cost and cost reduction benefits of an Interconnection Customer's project are determined by the ISO by comparing and netting the results of a Cluster Baseline Assessment with the corresponding Cluster Project Assessment in accordance with these rules.

40.12.1.6.3 The net System Upgrade Facilities cost and cost reduction benefits of an Interconnection Customer's project are comprised of those costs and cost reduction benefits caused by (1) the construction of System Upgrade Facilities not contained in the Cluster Baseline Assessment, and (2) eliminating or reducing the need for the construction of System Upgrade Facilities contained in the Cluster Baseline Assessment, due to the construction of System Upgrade Facilities associated with the proposed project.

40.12.1.6.4 The Interconnection Customer's net cost responsibility will be determined using constant dollars. That is, when netting the cost of System Upgrade Facilities required for its project, as identified in the Cluster Project Assessment, with those identified in the Cluster Baseline Assessment, the cost of System Upgrade Facilities in the out-years of the Cluster Baseline Assessment and the out-years of the Cluster Project Assessment will be discounted to a current year value for netting. The cost of out-year System Upgrade Facilities will be

discounted to a current value using the weighted average cost of capital of the Connecting Transmission Owner.

40.12.2 Cluster Project Assessment (CPA) for Cost Allocation Among Interconnection Customers

The Interconnection Customer's share of the cost of System Upgrade Facilities is allocated among Interconnection Customers based upon the ISO Cluster Project Assessment. The Cluster Project Assessment will be conducted by the ISO to ensure New York State Transmission System compliance with Applicable Reliability Requirements. The ISO will conduct the Cluster Project Assessment, as described in these rules, in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Cluster Project Assessment. The ISO will have decisional control over the entire Cluster Project Assessment. If, at any time, the ISO decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Cluster Project Assessment, then the ISO will enter into appropriate contracts with such entities for such input. As it conducts each Cluster Project Assessment, the ISO will provide regularly scheduled status reports and working drafts, with supporting data, to the Operating Committee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Cluster Project Assessment will be reviewed and approved by the Operating Committee as part of the Cluster Study Report in accordance with Section 40.11.7. Each Cluster Project Assessment is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

40.12.2.1 The Cluster Project Assessment for each Cluster Study will identify the System Upgrade Facilities required for all Cluster Study Projects, with cost

estimates for the System Upgrade Facilities. The System Upgrade Facilities identified through the Cluster Project Assessment will only be those System Upgrade Facilities that are not already included in a Cluster Baseline Assessment. If a Distribution Upgrade is identified in the Cluster Project Assessment, the ISO shall apply the same requirements applicable to System Upgrade Facilities in this Section 40.12.2 to the Distribution Upgrade.

40.12.2.2 For each Cluster Project Assessment, the ISO will utilize the Existing System Representation used for the corresponding Cluster Baseline Assessment.

40.12.2.3 In the case of a new System Upgrade Facility that has a functional capacity not readily measured in amperes or other discrete electrical units, such as a System Upgrade Facility dedicated to system protection, the *pro rata* impact of each project in the Cluster Study on the reliability of the transmission system will be based upon the number of Projects in the Cluster Study contributing to the need for the new System Upgrade Facility. The *pro rata* impact of each project in the Cluster Study needing such a new System Upgrade Facility will be equal. Accordingly, the *pro rata* contribution of each of the Projects to the need for the new System Upgrade Facility will be equal to (1/a), where "a" is the total number of Projects in the Cluster needing the new System Upgrade Facility.

40.12.2.4 In the case of a new System Upgrade Facility that has a capacity readily measured in amperes or other discrete electrical units, the impact of each project in the Cluster Study will be stated in terms of its *pro rata* contribution to the total electrical impact on each individual System Upgrade Facility in the Cluster Study of all Projects that have at least a *de minimus* impact, as described in Section

40.12.2.5 of these rules. The contribution to electrical impact will be measured in various ways depending on the nature of the transmission problem primarily causing the need for the individual System Upgrade Facility.

40.12.2.4.1 Contribution to short-circuit current for interrupting duty beyond the rating of equipment.

40.12.2.4.2 Contribution to MW loading on the critical element for thermal overloads under the test conditions that cause the need for a System Upgrade Facility. MW contribution will be calculated by multiplying the associated distribution factor by the declared maximum MW of the project. The distribution factor is calculated by *pro rata* displacement of New York System load by the added generation.

40.12.2.4.3 Contribution to voltage drop on the most critical bus for voltage problems. A critical bus will be defined as representative for voltage conditions during a specific contingency. The *pro rata* impact of each project is measured as the ratio of the voltage drop at the critical bus caused by the project when none of the other Projects are represented, to the voltage drop at the critical bus when all of the Projects in the Cluster Study are represented.

40.12.2.4.4 Contribution to transient stability problems as measured by the fault current calculated for the most critical stability test that is causing the need for the System Upgrade Facility.

40.12.2.5 For each individual electrical impact standard listed in subsections 40.12.2.5.1.1 through 40.12.2.5.1.4 below, an Interconnection Customer will not be responsible for the cost associated with a corresponding System Upgrade Facility if its project's contribution is less than the *de minimus* impacts defined

below. The costs of Projects that would otherwise have been allocated to certain Interconnection Customers' Projects but for the sub-*de minimus* impact exemption, shall be allocated 100 %to the other Interconnection Customers in the Class Year according to their *pro rata* contribution.

40.12.2.5.1 *De minimus* impact is defined in terms of any one of the factors listed below in this subsection. Examples of computations used to determine *de minimus* impact are shown in ISO Procedures.

40.12.2.5.1.1 **Short Circuit Contribution**: Equal to or greater than 100 amperes of the existing rating of the equipment that needs to be replaced.

40.12.2.5.1.2 **Thermal Loadings**: Equal to or greater than 10 MW on the most limiting monitored element under the most critical contingency that is causing the need for transmission improvements.

40.12.2.5.1.3 **Voltage Effects**: Equal to or greater than 2% of the voltage drop occurring with all Cluster Study Projects at the most critical bus.

40.12.2.5.1.4 **Stability Effects**: Equal to or greater than 100 amperes of the fault current for the most critical stability test that is causing the need for the System Upgrade Facility.

40.12.2.6 The *pro rata* contribution of each project in the Cluster Study to each of the System Upgrade Facilities identified in the Cluster Project Assessment shall be determined as follows.

40.12.2.6.1 First, in accordance with Section 40.12.1.6 of these rules, the total cost of System Upgrade Facilities identified in the Cluster Project Assessment is compared and netted with the total cost of System Upgrade Facilities identified in

the Cluster Baseline Assessment. If the total cost of System Upgrade Facilities identified in the Cluster Project Assessment does not exceed the total cost of System Upgrade Facilities identified in the Cluster Baseline Assessment, then there is no cost to be allocated among Cluster Study Projects.

40.12.2.6.2 If the total cost of System Upgrade Facilities identified in the Cluster Project Assessment does exceed the total cost of System Upgrade Facilities identified in the Cluster Baseline Assessment by some amount, then this amount ("Overage Cost") is a cost to be allocated among Cluster Study Projects. Appendix 9 to this Attachment HH sets out an example of an allocation of Overage Cost among Cluster Study Projects.

40.12.2.6.3 The Overage Cost represents a percentage of the total cost of System Upgrade Facilities identified in the Cluster Project Assessment ("Overage Cost Percentage").

40.12.2.6.4 Each System Upgrade Facility identified in the Cluster Project Assessment has a cost specified for it in the Cluster Project Assessment.

40.12.2.6.5 The *pro rata* contribution of each project in the Cluster Study to a System Upgrade Facility identified in the Cluster Project Assessment represents a percentage contribution to the need for that System Upgrade Facility ("Contribution Percentage").

40.12.2.6.6 An individual Cluster Study Project's *pro rata* responsibility for the cost of each System Upgrade Facility identified in the Cluster Project Assessment is the product of (a) the Overage Cost Percentage; (b) the Cluster Study Project's Contribution Percentage for the particular System Upgrade Facility; and (c) the

cost of the particular System Upgrade Facility as specified in the Cluster Project Assessment.

40.12.2.6.7 If the least cost solution identified is to install one System Upgrade Facility (*e.g.*, a series reactor) rather than replacing a number of System Upgrade Facilities (*e.g.*, breakers), the ISO staff will determine each Cluster Study Project's Contribution Percentage by calculating what each Cluster Study Project's *pro rata* contribution would have been on the System Upgrade Facilities not replaced (*e.g.*, breakers) and applying that percentage to the System Upgrade Facility that is installed (*e.g.*, series reactor).

40.13 Deliverability Studies and Cost Allocation Methodology for CRIS

40.13.1 Cluster Study Deliverability Study and Non-Cluster Study Expedited Deliverability Study

An Interconnection Customer requesting CRIS for a Project larger than 2 MW may elect to enter either the Cluster Study Process pursuant to the requirements in Section 40.5.4 to this Attachment HH or an Expedited Deliverability Study pursuant to the requirements in Section 40.19 to this Attachment HH; *provided, however*, that an Interconnection Customer may not be evaluated in both studies simultaneously (*i.e.*, an Interconnection Customer with CRIS being evaluated in a Cluster Study Process may not enter an Expedited Deliverability Study for evaluation of the same CRIS request until the Cluster Study has completed).

A Cluster Study deliverability evaluation first evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS. If a Project is not deliverable for its full amount of requested CRIS, the Cluster Study proceeds to identify and cost allocate System Deliverability Upgrades required to make the Project fully deliverable for the full amount of requested CRIS.

An Expedited Deliverability Study only evaluates whether a Project satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS; it does not identify or cost allocate System Deliverability Upgrades. An Interconnection Customer evaluated in an Expedited Deliverability Study and deemed undeliverable at its full amount of requested CRIS may (1) enter a Cluster Study Process in a subsequent Application Window in accordance with the requirements in Section 40.5 to obtain a Project Cost Allocation for required System Deliverability Upgrades; or (2) enter into a subsequent Expedited Deliverability Study or a Cluster Study Process with the same or different CRIS request.

40.13.1.1 Cost Allocation Among Interconnection Customers in a Cluster

Each Project in a Cluster Study Deliverability Study – *i.e.*, a Cluster Study CRIS Project – will share in the then currently available deliverability capability of the New York State Transmission System and will also share in the cost of any System Deliverability Upgrades required for its Project to qualify for CRIS at the requested level. The total cost of the System Deliverability Upgrades required for all the Projects in the Cluster for the Cluster Study will be allocated among the Projects in the Cluster based on the *pro rata* impact of each Cluster Study CRIS Project on the deliverability of the New York State Transmission System, that is, the *pro rata* contribution of each Project in the Cluster Study Deliverability Study to the total cost of each of the System Deliverability Upgrades identified in the Cluster Study Deliverability Study. In addition to this allocation of cost responsibility for System Deliverability Upgrades among the Projects in a Cluster, the cost of certain Highway System Deliverability Upgrades will be shared with Load Serving Entities and subsequent Interconnection Customers, as described below in Section 40.13.12 of these rules.

40.13.1.2 Expedited Deliverability Study

The Expedited Deliverability Study shall be performed concurrently for all Projects that meet the entry requirements set forth in Section 40.19 of this Attachment HH as a combined Expedited Deliverability Study.

40.13.2 Categories of transmission facilities

For purposes of applying the NYISO Deliverability Interconnection Standard, transmission facilities comprising the New York State Transmission System will be categorized as Byways, Highways or Other Interfaces.

40.13.2.1 Byways

The Interconnection Customer of a Cluster Study CRIS Project will pay its *pro rata* share of one hundred percent (100%) of the cost of the System Deliverability Upgrades to any Byway needed to make the Cluster Study CRIS Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Byway(s) will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Cluster Study Deliverability Study.

The Transmission Owner(s) responsible for constructing a System Deliverability Upgrade on a Byway shall request Incremental TCCs with respect to the System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. An Interconnection Customer paying to upgrade a Byway will receive the right to accept any Incremental TCCs awarded by the ISO in proportion to its contribution to the total cost of the System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; *provided, however*, that an Interconnection Customer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Interconnection Customer's proportionate share is zero. If an Interconnection Customer elects to accept its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, the Interconnection Customer shall be the Primary Holder of such Incremental TCCs. If an Interconnection Customer declines an award of its proportionate share of any Incremental TCCs resulting from the System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed

reserved to the extent necessary to facilitate the potential for transfers to subsequent Interconnection Customers that pay for the use of Headroom pursuant to this Attachment HH on a System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by an Interconnection Customer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 40.17.1.4.3 of this Attachment HH.

An Interconnection Customer paying to upgrade a Byway will be eligible to receive Headroom payments in accordance with these rules. A subsequent Interconnection Customer paying for use of Headroom on a System Deliverability Upgrade on a Byway will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the System Deliverability Upgrade; *provided, however*, that a subsequent Interconnection Customer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the subsequent Interconnection Customer's proportionate share is zero. If an Interconnection Customer that initially paid for a System Deliverability Upgrade on a Byway elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental

TCCs, any Incremental TCCs that a subsequent Interconnection Customer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Interconnection Customer that initially paid for the System Deliverability Upgrade in proportion to the Headroom payments received by such Interconnection Customer from the subsequent Interconnection Customer making such Headroom payments. If an Interconnection Customer that initially paid for a System Deliverability Upgrade on a Byway declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Interconnection Customer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Interconnection Customer that initially paid for the System Deliverability Upgrade from the subsequent Interconnection Customer making such Headroom payments. If a subsequent Interconnection Customer elects to accept its proportionate share of any Incremental TCCs, the subsequent Interconnection Customer shall be the Primary Holder of such Incremental TCCs; *provided, however*, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Interconnection Customer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Interconnection Customer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Interconnection Customer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of

the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a System Deliverability Upgrade on a Byway, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

40.13.2.2 Highways

The Interconnection Customer of a Cluster Study CRIS Project will pay an allocated share of the cost of the System Deliverability Upgrades to any Highway needed to make the Cluster Study Project deliverable in accordance with these rules. The System Deliverability Upgrades on the Highway or Highways, and the Interconnection Customer's allocated share of the cost of those System Deliverability Upgrades, will be identified by the ISO, with input from the Connecting Transmission Owner and from the Affected Transmission Owner(s), in the Cluster Study Deliverability Study.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall request Incremental TCCs with respect to the Highway System Deliverability Upgrade in accordance with the requirements of Section 19.2.4 of Attachment M of the ISO OATT. An Interconnection Customer paying for Highway System Deliverability Upgrades will receive the right to accept any Incremental TCCs awarded by the ISO, in proportion to its contribution to the to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; *provided, however*, that an Interconnection Customer will not be entitled to receive any

Incremental TCCs if the whole number value determined by the ISO for the subsequent Interconnection Customer's proportionate share is zero. If an Interconnection Customer elects to accept its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, the Interconnection Customer shall be the Primary Holder of such Incremental TCCs. If an Interconnection Customer declines an award of its proportionate share of any Incremental TCCs resulting from the Highway System Deliverability Upgrade, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed reserved to the extent necessary to facilitate the potential for transfers to subsequent Interconnection Customers that pay for the use of Headroom pursuant to this Attachment HH on a Highway System Deliverability Upgrade that has been awarded Incremental TCCs. Incremental TCCs that are declined or terminated by an Interconnection Customer and not otherwise deemed reserved will be deemed permanently terminated. Incremental TCCs related to a Highway System Deliverability Upgrade that were previously deemed reserved as a result of prior declination or termination will be deemed permanently terminated when the Headroom on the Highway System Deliverability Upgrade ceases to exist or is otherwise reduced to zero in accordance with Section 40.17.1.4.3 of this Attachment HH.

The Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade shall also be awarded, and be the Primary Holder of, any Incremental TCCs related to the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities pursuant to Section 40.13.12 of this Attachment HH, in proportion to the contribution of the Load Serving Entities to the total cost of the Highway System Deliverability Upgrade. The ISO shall round any non-whole MW quantities to a whole number of Incremental

TCCs in a manner that ensures that the sum of all individual allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; *provided, however*, that no Incremental TCCs will be awarded to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade for the portion of a Highway System Deliverability Upgrade funded by Load Serving Entities if the whole number value determined by the ISO for the Load Serving Entities' proportionate share is zero.

An Interconnection Customer paying for a Highway System Deliverability Upgrade will be eligible to receive Headroom payments in accordance with these rules to the extent that it pays for System Deliverability Upgrade capacity in excess of that required to provide the requested level of CRIS and Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 40.13.12 of this Attachment HH. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 40.13.12 of this Attachment HH, the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade will be eligible to receive any and all Headroom payments related to the System Deliverability Upgrade in accordance with these rules on behalf, and for the benefit, of the Load Serving Entities that funded a portion of the System Deliverability Upgrade.

A subsequent Interconnection Customer paying for use of Headroom on System Deliverability Upgrades will be entitled to receive Incremental TCCs, to the extent Incremental TCCs have been awarded by the ISO for the System Deliverability Upgrade, in proportion to its contribution to the total cost of the Highway System Deliverability Upgrade, as determined based on its required Headroom payments. The ISO shall round any non-whole MW quantities to a whole number of Incremental TCCs in a manner that ensures that the sum of all individual

allocations to eligible entities is equal to the total number of Incremental TCCs awarded to the Highway System Deliverability Upgrade; *provided, however,* that a subsequent Interconnection Customer will not be entitled to receive any Incremental TCCs if the whole number value determined by the ISO for the Interconnection Customer's proportionate share is zero. If: (i) an Interconnection Customer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 40.13.12 of this Attachment HH; and (iii) the Interconnection Customer elected to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade and continues to hold such Incremental TCCs, any Incremental TCCs that a subsequent Interconnection Customer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Interconnection Customer that initially funded the System Deliverability Upgrade in proportion to the Headroom payments received by such Interconnection Customer from the subsequent Interconnection Customer making such Headroom payments. If: (i) an Interconnection Customer that initially paid for a Highway System Deliverability Upgrade paid for capacity in excess of that required to provide its requested level of CRIS; (ii) Load Serving Entities have not funded a portion of the costs of the Highway System Deliverability Upgrade pursuant to Section 40.13.12 of this Attachment HH; and (iii) the Interconnection Customer declined to receive its proportionate share of any Incremental TCCs related to the System Deliverability Upgrade or subsequently terminated the Incremental TCCs it elected to receive, any Incremental TCCs that a subsequent Interconnection Customer is eligible to receive will be made available from the Incremental TCCs related to the System Deliverability Upgrade that were previously deemed

reserved as a result of prior declination or termination in proportion to the Headroom payments received by the Interconnection Customer that initially paid for the System Deliverability Upgrade from the subsequent Interconnection Customer making such Headroom payments. If Load Serving Entities have funded a portion of a Highway System Deliverability Upgrade pursuant to Section 40.13.12 of this Attachment HH, any Incremental TCCs that a subsequent Interconnection Customer is eligible to receive will be made available by reducing the Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the System Deliverability Upgrade. If a subsequent Interconnection Customer elects to accept its proportionate share of any Incremental TCCs, the subsequent Interconnection Customer shall be the Primary Holder of such Incremental TCCs; *provided, however*, that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Interconnection Customer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Interconnection Customer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs. If a subsequent Interconnection Customer declines an award of its proportionate share of any Incremental TCCs resulting from its Headroom payments, or subsequently terminates the Incremental TCCs it elected to receive in accordance with Section 19.2.4.9 of Attachment M of the ISO OATT, the declined or terminated Incremental TCCs will be deemed permanently terminated.

Any Incremental TCCs resulting from a Highway System Deliverability Upgrade, regardless of the Primary Holder thereof, may not be sold or transferred through a Centralized TCC Auction, Reconfiguration Auction or the Secondary Market.

40.13.2.3 Other Interfaces

If the Cluster Study CRIS Project degrades the transfer capability of any one of the Other Interfaces below the transfer capability identified in the current CBA, then the Interconnection Customer will pay its *pro rata* share of one hundred percent (100%) of the cost of the System Deliverability Upgrades needed to restore the transfer capability of the Other Interfaces degraded by its proposed Project to what the transfer capability of those Other Interfaces would have been without its Project, as that transfer capability was measured in the current CBA. Where two or more Projects would cause degradation of an Other Interface's transfer capability, the cost of the necessary System Deliverability Upgrades to restore the original transfer capability of the interface shall be shared on a *pro rata* basis, based on the MW of degradation that each Project would cause.

40.13.3 Capacity Regions

40.13.3.1 The deliverability test will be applied within each of the four (4) Capacity Regions: (1) Rest of State (*i.e.*, Load Zones A through F); (2) Lower Hudson Valley (*i.e.*, Load Zones G, H and I); (3) New York City (*i.e.*, Load Zone J); and (4) Long Island (*i.e.*, Load Zone K). To be declared deliverable a Cluster Study Project must only be deliverable, at its requested CRIS MW, throughout each of the Capacity Regions in which the Project is interconnected or is interconnecting, or, if requesting CRIS for External-to-ROS Deliverability Rights, throughout the Rest of State Capacity Region. For example, a proposed Cluster Study Project from an external Control Area interconnecting in the Rest of State Capacity Region (*i.e.*, Load Zones A-F) will be required to demonstrate deliverability throughout the Rest of State Capacity Region (*i.e.*, Load Zones A-F), but will not be required to demonstrate deliverability to or within any of

the following Capacity Regions: Lower Hudson Valley (*i.e.*, Load Zones G, H and I); New York City (*i.e.*, Load Zone J); or Long Island (*i.e.*, Load Zone K).

40.13.3.2 A proposed Cluster Study Transmission Project internal to the NYCA that is requesting CRIS for Unforced Capacity Deliverability Rights must be deliverable both throughout the Capacity Region to which it proposes to inject Energy and throughout the Capacity Region from which is proposes to withdraw Energy. For example, a Cluster Study Transmission Project that proposes to withdraw Energy from the Rest of State Capacity Region (*i.e.*, Load Zones A-F) and inject Energy into New York City (*i.e.*, Load Zone J) must demonstrate deliverability throughout the Rest of State Capacity Region and demonstrate deliverability throughout the New York City Capacity Region.

40.13.4 Participation in Capacity Markets

40.13.4.1 An Interconnection Customer, in order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, must obtain CRIS pursuant to the procedures set forth in this Attachment HH. An Interconnection Customer must enter a Cluster Study Deliverability Study or Expedited Deliverability Study in order to obtain CRIS, unless otherwise provided for in this Attachment HH. The MW amount of CRIS requested by an Interconnection Customer, stated in MW of Installed Capacity ("ICAP"), cannot exceed the MW levels specified in Section 40.5.6.5 of this Attachment HH. All requests for CRIS must be in tenths of a MW.

The ISO will perform the Cluster Study Deliverability Study and Expedited Deliverability Study in accordance with these rules and with input of Market Participants, to determine the deliverability of the Projects requesting CRIS in each study. The Expedited Deliverability Study will only determine the extent to which the Project is deliverable at the full

amount of requested CRIS. The Cluster Study Deliverability Study will determine deliverability at the full amount of requested CRIS and, if not deliverable, will identify and allocate the cost of the System Deliverability Upgrades needed to make deliverable each Cluster Study CRIS Project. In order to be eligible to become an Installed Capacity Supplier or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, an Interconnection Customer must: (i) be found fully deliverable at the requested CRIS level in an Expedited Deliverability Study or (ii) in a Cluster Study, either (1) accept its deliverable MW in a Cluster Study or Expedited Deliverability Study; or (2) pay cash or post Security, in accordance with these rules, for the System Deliverability Upgrades needed for its Project to be deliverable at the requested level of CRIS.

40.13.5 The Pre-Existing System

Where the Existing System Representation demonstrates deliverability issues, an Interconnection Customer electing CRIS need only address the incremental deliverability of its CRIS request, not the deliverability of the pre-existing system depicted in the Existing System Representation. Likewise, Transmission Owners will not be responsible for curing any pre-existing deliverability issues.

40.13.6 CRIS Values

Through a Class Year Study, an Interconnection Customer may elect no CRIS, partial CRIS, or full CRIS for its Project by satisfying the applicable sections of this Attachment HH. Through an Expedited Deliverability Study, an Interconnection Customer may elect CRIS or partial CRIS to the extent its requested CRIS is deliverable pursuant to the NYISO Deliverability Interconnection Standard.

Each Project qualifying for CRIS will have two CRIS values per Project: one for the Summer Capability Period and one for the Winter Capability Period. For Projects comprised of multiple Generators, the Project's CRIS, subject to the maximum permissible requested CRIS pursuant to Section 40.5.6.5 of this Attachment HH, shall be allocated among the multiple Generators, and shall be allocated among the multiple Generators, as requested by Interconnection Customer (to the extent permissible under Section 40.5.6.5 of this Attachment HH). The Project's CRIS and allocation of CRIS among its units, as applicable, will be specified by ISO in the Class Year Deliverability Study report approved by the ISO Operating Committee in accordance with Section 40.11.7.

The Project's CRIS value for the Summer Capability Period will be set using the deliverability test methodology and procedures described below. The Project's CRIS value for the Winter Capability Period will be determined by the applicable process below:

40.13.6.1 Winter CRIS will be calculated as follows:

Winter CRIS MW = (Summer CRIS MW x Maximum Net Output at 10 degrees Fahrenheit)/Maximum Net Output at 90 degrees Fahrenheit

Where:

Maximum Net Output at 10 degrees Fahrenheit = the Project's maximum net output at 10 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve; and

Maximum Net Output at 90 degrees Fahrenheit = the Project's maximum net output at 90 degrees Fahrenheit determined pursuant to the Project's ISO-approved temperature curve.

40.13.6.1.1 For facilities with Summer CRIS, the following additional provision applies: For such facilities for which there is an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be calculated using such temperature curve, provided the capability represented by the curve does not

exceed the Project's ERIS. For facilities for which there is not an ISO-accepted temperature curve used for determining the Project's DMNC, Winter CRIS will be set equal to the Project's Summer CRIS unless the Project provides a temperature curve to the ISO by December 16, 2017, that the ISO subsequently determines is acceptable.

40.13.6.1.2 For facilities first obtaining Summer CRIS on or after December 16, 2017, the Winter CRIS will be determined using the most recent temperature curve provided to and accepted by the ISO, either during the interconnection process or at the time the Summer CRIS is first obtained.

40.13.6.2 Upon an increase to a Project's Summer CRIS pursuant to a permissible increase in Summer CRIS under Sections 40.5.6.6 or 40.18.3 of this Attachment HH (increases in CRIS not requiring a Class Year Study) or pursuant to an increase in Summer CRIS evaluated in a Cluster Study for which an Interconnection Customer accepts its Project Cost Allocation for System Deliverability Upgrades and posts Security therefore (if applicable) or accepts its Deliverable MWs, the Winter CRIS will be determined using the formula set forth in Section 40.13.6.1, wherein the Summer CRIS MW will be the increased Summer CRIS MW.

40.13.7 Deliverability Study Procedures

40.13.7.1 Cluster Study Deliverability Study Procedures

The ISO will conduct the Cluster Study Deliverability Study, as described in these rules, in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Cluster Study Deliverability Study. The ISO will have

decisional control over the entire Cluster Study Deliverability Study. If, at any time, the ISO decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Cluster Study Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study. As it conducts each Cluster Study Deliverability Study, the ISO will provide regularly scheduled status reports and working drafts, with supporting data, to the ISO Operating Committee or an ISO Operating Committee subcommittee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Cluster Study Deliverability Study will be reviewed and approved by the ISO Operating Committee when the ISO Operating Committee approves the CPA for the same Cluster Study in accordance with Section 40.11.7. Each Cluster Study Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

If the ISO determines that an Additional SDU Study is required pursuant to Section 40.14 of this Attachment HH, the ISO will notify all Cluster Study Projects that such Additional SDU Study will be conducted, with such notice to be provided as soon as practicable after the ISO receives notice from Interconnection Customers in response to the Notice of SDUs Requiring Additional Study pursuant to Section 40.14.1 of this Attachment HH.

40.13.7.2 Expedited Deliverability Study Procedures

The ISO will conduct the Expedited Deliverability Study, as described in these rules in cooperation with Market Participants. No Market Participant will have decisional control over any determinative aspect of the Expedited Deliverability Study. The ISO will have decisional

control over the entire Expedited Deliverability Study. If, at any time, the ISO decides that it needs specific expert services from entities such as Market Participants, consultants or engineering firms for it to conduct the Expedited Deliverability Study, then the ISO will enter into appropriate contracts with such entities for such input. The ISO shall utilize existing studies to the extent practicable when it performs the study. As it conducts each Expedited Deliverability Study, the ISO will provide regularly scheduled status reports and working drafts, with supporting data, to the ISO Operating Committee or an ISO Operating Committee subcommittee to ensure that all affected Market Participants have an opportunity to contribute whatever information and input they believe might be helpful to the process. Each completed Expedited Deliverability Study will be reviewed and approved by the ISO Operating Committee. Each Expedited Deliverability Study is reviewable by the ISO Board of Directors in accordance with the provisions of the Commission-approved ISO Agreement.

40.13.8 Deliverability Test Methodology for Highways and Byways

40.13.8.1 Definition of NYCA Deliverability

The NYCA transmission system shall be able to deliver the aggregate of NYCA capacity resources to the aggregate of the NYCA load under summer peak load conditions. This is accomplished in the Cluster Study through ensuring the deliverability of each Cluster Study CRIS Project, in the Capacity Region(s) where the Project interconnects. This is accomplished in the Expedited Deliverability Study through ensuring the deliverability of each Cluster Study CRIS Request, in the Capacity Region where the Project interconnects.

40.13.8.2 NYCA Deliverability Testing Methodology

40.13.8.2.1 Cluster Study

40.13.8.2.1.1 The current CBA for the Cluster Study, developed in accordance with ISO Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the following:

All Cluster Study CRIS Projects will be evaluated on an aggregate Cluster basis. Deliverability will be determined through a shift from generation to generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

40.13.8.2.1.2 Each entity requesting External CRIS Rights may request in the Application Window through a CRIS-Only Request, in the form of Appendix 2 to this Attachment HH a certain number of MW to be evaluated for deliverability pursuant to Section 40.13.11 of this Attachment HH. The MW of an entity requesting External CRIS Rights will not be derated for the deliverability analysis.

40.13.8.2.1.3 Each Interconnection Customer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 40.6.5 of this Attachment HH. The MW requested by an Interconnection Customer will represent Installed Capacity, and will be derated for the deliverability analysis, as set forth in this Section 40.13.8.2.1.3. The CRIS MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Interconnection Customer-selected duration (*i.e.*, its expected maximum injection capability in

MW hours for the Interconnection Customer-selected duration). The CRIS MW requested by a Cluster Study Transmission Project seeking Unforced Capacity Deliverability Rights will represent Installed Capacity at the point of injection. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

Facilities requesting CRIS and existing facilities with CRIS will be modeled in the deliverability analysis at MW levels described herein. A derated generator capacity incorporating availability is used. This derated generator capacity is calculated for each resource using a UCAP Deration Factor ("UCDF"). The UCDF used is an average value based on historical performance on a Capacity Region basis, as determined in accordance with ISO Procedures. The UCDF for all generators that are not Intermittent Power Resources (resources that are not Intermittent Power Resources include Energy Storage Resources) or Limited Control Run of River Hydro is the average EFORd. All generators that are not Intermittent Power Resources or Limited Control Run of River Hydro in the same Capacity Region will use the same UCDF. The UCDF for Intermittent Power Resources and Limited Control Run of River Hydro will be calculated based on historical production data by resource type in accordance with ISO Procedures.

Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; *provided, however*, that if the Project includes

load reduction, the load reduction will not impact the UCDF of the Project. The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the CBA, the UCDF will be applied to their CRIS level.

The CRIS MW requested by a Cluster Study Transmission Project or held by an existing facility with Unforced Capacity Deliverability Rights will not be derated at the point of injection (*i.e.*, sink) for the deliverability analysis. However, the withdrawal capability (*i.e.*, source) of such a facility that is internal to the NYCA will be modeled in the deliverability analysis at the MW of CRIS plus losses of the facility expected to occur at its CRIS injection level, in the manner set forth in Section 40.13.8.2.1.13.

Existing CRIS that will be modeled in the Cluster Study shall include: existing CRIS for facilities not being evaluated in the Cluster Study regardless of outage state, unless (1) that CRIS will expire no later than twelve (12) months (*i.e.*, three hundred sixty-five (365) Calendar Days) after the Phase 1 Study Start Date, except where the facility has provided notice of a proposed CRIS transfer anticipated to be finalized no later than twelve (12) months (*i.e.*, three hundred sixty-five (365) Calendar Days) of the Phase 1 Study Start Date; or (2) the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration. For purposes of this Section 40.13.8.2.1.3, "existing CRIS" for Projects that have undergone, as applicable, a prior Class Year Study or Cluster Study deliverability evaluation is CRIS obtained upon completion of a Class Year Study or Cluster Study through which the Interconnection Customer accepted its deliverable MW or accepted its Project Cost Allocation and posted Security for

System Deliverability Upgrades, as applicable. For Projects that undergo an Expedited Deliverability Study deliverability evaluation, "existing CRIS" is CRIS that is obtained upon completion of an Expedited Deliverability Study through which the Interconnection Customer was deemed to have accepted its Deliverable MW in an Expedited Deliverability Study completed prior to the Phase 1 Study Start Date.

40.13.8.2.1.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty ("LFU") from the most recent base case IRM and applying it to load.

40.13.8.2.1.5 Deliverability base case conditioning steps will be consistent with those used for the Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

40.13.8.2.1.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the Reliability Planning Process studies.

40.13.8.2.1.7 The ISO will monitor all transmission facilities that are part of the New York State Transmission System.

40.13.8.2.1.8 When either the voltage or stability transfer limit of an interface calculated in the CBA is more binding than the calculated thermal transfer limit, then the lower of the CBA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

40.13.8.2.1.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the

grandfathered import contract rights listed in Attachment E to the Installed Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the ISO OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT, and (v) any External CRIS Rights awarded pursuant to Section 40.13.11 of this Attachment HH, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Cluster Study Deliverability Study, until, as of the Phase 1 Study Start Date, the time available to renew the External CRIS Rights has expired, as described in Section 40.18.2.4 of this Attachment HH.

40.13.8.2.1.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

40.13.8.2.1.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than demand in the Capacity Region, additional external resources are included in the model.

40.13.8.2.1.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to

hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the ISO OATT.

40.13.8.2.1.13 Deliverability testing will proceed as follows – The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. All elements that are part of the New York State Transmission System within the Capacity Region will be monitored. For a Cluster Study Transmission Project seeking Unforced Capacity Deliverability Rights, the MW of requested CRIS plus losses of the facility at the point of withdrawal are modeled as negative generation in the Capacity Region (*i.e.*, as a proxy generating facility withdrawing power from the New York State Transmission System in the Capacity Region.) If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU), then the generation excess, considering generator derate factors described in Section 40.13.8.2.1.3 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of capacity that is assigned CRIS status and the overload mitigation.

40.13.8.2.1.14 For Highway interfaces, the Cluster Study Projects in the current Cluster Study Deliverability Study, whether or not they are otherwise deliverable, will not be considered deliverable if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent (2%) of the

transfer capability identified in the CBA and results in an increase to the NYCA LOLE determined for the CBA of .01 or more. The Cluster Study CRIS Projects causing the degradation will be responsible, on a *pro rata* basis, for restoring transfer capability only to the extent their aggregate degradation of transfer capability, compared to that in the CBA, would not occur but for the Cluster CRIS Projects.

40.13.8.2.2 Expedited Deliverability Study

40.13.8.2.2.1 The current Class Year CPA, developed in accordance with ISO Procedures, will serve as the starting point for the deliverability baseline for testing under summer peak system conditions, subject to ISO Procedures and the following: All projects in the Expedited Deliverability Study will be evaluated on an aggregate Expedited Deliverability Study basis. Deliverability will be determined through a shift from generation to generation within the Capacity Regions in New York State. Each Capacity Region will be tested on an individual basis.

40.13.8.2.2.2 Each Interconnection Customer requesting CRIS will request that a certain number of MW be evaluated for deliverability, such MW not to exceed the maximum levels set forth in Section 40.5.6.5 of this Attachment HH. The MW requested by an Interconnection Customer will represent Installed Capacity, and will be derated for the deliverability analysis, as set forth in this Section 40.13.8.2.2.2. The CRIS MW requested by a Resource with an Energy Duration Limitation will represent Installed Capacity based on the Interconnection Customer-selected duration (*i.e.*, its expected maximum injection capability in

MW hours for the Interconnection Customer-selected duration). The CRIS MW requested by a Cluster Study Transmission Project seeking Unforced Capacity Deliverability Rights will represent Installed Capacity at the point of injection. At the conclusion of the analysis, the ISO will reconvert only the deliverable MW and report them in terms of MW of Installed Capacity using the same derating factor utilized at the beginning of the deliverability analysis.

Facilities requesting CRIS and existing facilities with CRIS will be modeled in the deliverability analysis at MW levels described herein. A derated generator capacity incorporating availability is used. This derated generator capacity is calculated for each resource using a UCAP Deration Factor ("UCDF"). The UCDF used is an average value based on historical performance on a Capacity Region basis, as determined in accordance with ISO Procedures. The UCDF for all generators that are not Intermittent Power Resources (resources that are not Intermittent Power Resources include Energy Storage Resources) or Limited Control Run of River Hydro is the average EFORd. The UCDF for Intermittent Power Resources and Limited Control Run of River Hydro will be calculated based on historical production data by resource type in accordance with ISO Procedures. Facilities comprised of Generators of different technologies will be derated using a blended UCDF that combines the UCDF of the individual Generators within the Project; *provided, however,* that if the Project includes load reduction, the load reduction will not impact the UCDF of the Project.

The CRIS MW requested by a Cluster Study Transmission Project or held by an existing facility with Unforced Capacity Deliverability Rights will not be

derated at the point of injection (*i.e.*, sink) for the deliverability analysis. However, the withdrawal capability (*i.e.,* source) of such a facility that is internal to the NYCA will be modeled in the deliverability analysis at the MW of CRIS plus losses of the facility expected to occur at its CRIS injection level, in the manner set forth in Section 40.13.8.2.2.13.

The UCDF factor for proposed Projects will be applied to the requested CRIS level. For facilities modeled in the CPA, the UCDF will be applied to their CRIS level.

40.13.8.2.2.3 CRIS that will be modeled in the Expedited Deliverability Study shall include: (1) existing CRIS, including CRIS obtained in a previous Expedited Deliverability Study, for facilities not being evaluated in the instant Expedited Deliverability Study, regardless of outage state, unless (i) the CRIS will expire no later than four (4) months (*i.e.*, one hundred twenty (120) Calendar Days) after the Expedited Deliverability Study Start Date, except where the facility has provided notice of a proposed CRIS transfer anticipated to be finalized no later than four (4) months (*i.e.*, one hundred twenty (120) Calendar Days) after the Expedited Deliverability Study Start Date; or (ii) the CRIS is associated with a Retired facility that cannot transfer such rights prior to CRIS expiration; and (2) CRIS requested by Projects in, as applicable, the Class Year Study(ies) or Cluster Study(ies) pending during the Expedited Deliverability Study. For purposes of this Section 40.13.8.2.2.3, "existing CRIS" is CRIS that has not expired and CRIS that has been obtained by Projects through Attachment HH. For Projects that undergo a Class Year Study or Cluster Study deliverability evaluation, "existing

CRIS," is CRIS obtained, upon completion of a Class Year Study or Cluster Study through which the Interconnection Customer accepted deliverable MW or accepted its Project Cost Allocation and posted Security for System Deliverability Upgrades, as applicable. For Projects that undergo an Expedited Deliverability Study deliverability evaluation, "existing CRIS," is CRIS obtained, upon completion of an Expedited Deliverability Study through which the Interconnection Customer was deemed to have accepted its deliverable MW.

40.13.8.2.2.4 Load uncertainties will be addressed in accordance with ISO Procedures by taking the impact of Load Forecast Uncertainty ("LFU") from the most recent base case IRM and applying it to load.

40.13.8.2.2.5 Deliverability base case conditioning steps will be consistent with those used for the Reliability Planning Process and Area Transmission Review transfer limit calculation methodology.

40.13.8.2.2.6 In deliverability testing, Emergency transfer criteria and contingency testing will be in conformance with NYSRC rules and correspond to that used in the NYISO Reliability Planning Process studies.

40.13.8.2.2.7 The ISO will monitor all transmission facilities that are part of the New York State Transmission System.

40.13.8.2.2.8 When either the voltage or stability transfer limit of an interface calculated in the CPA is more binding than the calculated thermal transfer limit, then the lower of the CPA voltage or stability transfer limit will be included in the deliverability testing as a proxy limit.

40.13.8.2.2.9 External system imports will be adjusted as necessary to eliminate or minimize overloads, other than the following external system imports: (i) the grandfathered import contract rights listed in Attachment E to the Installed Capacity Manual, (ii) the operating protocols set forth in Schedule C of Attachment CC to the ISO OATT, (iii) the appropriate rules for reflecting PJM service to RECo load, (iv) the Existing Transmission Capacity for Native Load listed for the New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT, (v) any External CRIS Rights awarded pursuant to Section 40.13.11, either as a result of the conversion of grandfathered rights over the Quebec (via Chateauguay) Interface or as a result of a Class Year Deliverability Study or a Cluster Study Deliverability Study, until, as of the Expedited Deliverability Study start date, the time available to renew the External CRIS Rights has expired, as described in Section 40.18.2.4.

40.13.8.2.2.10 Flows associated with generators physically located in the NYCA but selling capacity out of the market will be modeled as such in the deliverability base cases.

40.13.8.2.2.11 Resources and demand are brought into balance in the baseline. If resources are greater than demand in the Capacity Region, existing generators within the Capacity Region are prorated down. If resources are lower than demand in the Capacity Region, additional external resources are included in the model.

40.13.8.2.2.12 PARs within the applicable Capacity Region will be adjusted as necessary, in either direction and within their angle capability, to eliminate or minimize

overloads without creating new ones. PARs controlling external ties and ties between the Capacity Regions will be modeled, within their angle capability, to hold the individual tie flows to their respective deliverability baseline schedules, which shall be set recognizing firm commitments and operating protocol set forth in Schedule C of Attachment CC to the ISO OATT.

40.13.8.2.2.13 Deliverability testing will proceed as follows - The generation/load mix is split into two groups of generation and load, one upstream and one downstream for each zone or sub-zone tested within the Capacity Region. For a Cluster Study Transmission Project seeking Unforced Capacity Deliverability Rights, the MW of requested CRIS plus losses of the facility at the point of withdrawal are modeled as negative generation in the Capacity Region (*i.e.*, as a proxy generating facility withdrawing power from the New York State Transmission System in the Capacity Region). All elements that are part of the New York State Transmission System within the Capacity Region will be monitored. If there is excess generation upstream (that is, more upstream generation than is necessary to serve the upstream load plus LFU), then the generation excess, taking into account generator derate factors described in Section 40.13.8.2.2.2 above, is assumed to displace downstream generation. If the dispatch of the upstream excess generation causes an overload, this overload is flagged as a potential deliverability problem and will be used to determine the amount of partial CRIS, if any, for the applicable Projects in the Expedited Deliverability Study.

40.13.8.2.2.14 For Highway interfaces, the Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable, will not be considered deliverable

if their aggregate impact degrades the transfer capability of the interface more than the lesser of 25 MW or 2 percent (2%) of the transfer capability identified in the CPA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

40.13.9 Deliverability Test Methodology for Other Interfaces

40.13.9.1 Cluster Study Deliverability Test Methodology for Other Interfaces

The Cluster Study Projects in the current Cluster Study Deliverability Study, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent (2%) of the transfer capability of the Other Interface identified in the CBA. Each Interconnection Customer will be responsible for its *pro rata* Cluster share of one hundred percent (100%) of the cost of System Deliverability Upgrades needed to restore transfer capability on the Other Interfaces impacted by the Cluster Study CRIS Projects but only to the extent that the degradation of transfer capability on the Other Interfaces, compared to that measured in the current CBA for the Cluster Study, would not occur but for the aggregate impact of the Cluster Study Projects. Where two or more Projects contribute to the degradation of the transfer capability of an Other Interface, each Project Interconnection Customer shall pay for a share of the required System Deliverability Upgrades based on its contribution to the degradation of the transfer capability. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Cluster Study.

40.13.9.2 Expedited Deliverability Study Test Methodology for Other Interfaces

The Projects in an Expedited Deliverability Study, whether or not they are otherwise deliverable across Highways and Byways, will not be considered deliverable if their aggregate

impact degrades the transfer capability of any Other Interface more than the lesser of 25 MW or 2 percent (2%) of the transfer capability of the Other Interface identified in the CBA. To the extent possible, the ISO will determine partial CRIS, if any, for any applicable Project in the Expedited Deliverability Study.

40.13.10 Deliverability of External Installed Capacity

External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to-ROS Deliverability Rights or External CRIS Rights will be subject to the deliverability test in Section 40.13.8 and 40.13.9 of this Attachment HH, but not as a part of the Cluster Study Deliverability Study. As described in detail in Section 5.12.2 of the ISO Services Tariff, the deliverability of External Installed Capacity not associated with Unforced Capacity Deliverability Rights, External-to ROS Deliverability Rights or External CRIS Rights will be evaluated separately as a part of the annual process under the ISO Services Tariff that sets import rights for the upcoming Capability Year, to determine the amount of External Installed Capacity that can be imported to the New York Control Area.

40.13.11 CRIS Rights for External Installed Capacity

An entity, by following the procedures and satisfying the requirements described in this Section 40.13.11, may obtain External CRIS Rights. While the External CRIS Rights are in effect, External Installed Capacity associated with External CRIS Rights is not subject to (1) the deliverability determination described above in Section 40.13.10 of this Attachment HH, (2) the annual deliverability determination applied in the import limit setting process described in Section 5.12.2.2 of the ISO Services Tariff, or (3) to the allocation of import rights described in ISO Procedures.

40.13.11.1 Required Commitment of External Installed Capacity

An entity requesting External CRIS Rights for a specified number of MW of External Installed Capacity must commit to supply that number of MW of External Installed Capacity for a period of at least five (5) years ("Award Period"). The entity's commitment to supply the specified number of MW for the Award Period may be based upon either an executed bilateral contract to supply ("Contract Commitment") or based upon another kind of long-term commitment ("Non-Contract Commitment"), both as described herein.

40.13.11.1.1 Contract Commitment

An entity making a Contract Commitment of External Installed Capacity must have one or more executed bilateral contract(s) to supply a specified number of MW of External Installed Capacity ("Contract CRIS MW") to a Load Serving Entity or Installed Capacity Supplier for an Award Period of at least five (5) years. The entity must have ownership or contract control of External Installed Capacity to fulfill its bilateral supply contract throughout the Award Period, and that otherwise satisfies ISO requirements.

40.13.11.1.1.1 The bilateral supply contract(s) individually or in the aggregate, must be for all months of the Summer Capability Periods over the term of the bilateral supply contract(s), but need not include any of the months of the Winter Capability Periods over that term. The entity seeking External CRIS Rights must specify which, if any, months of the Winter Capability Period it will supply External Installed Capacity under the bilateral supply contract(s) ("Specified Winter Months").

40.13.11.1.1.2 The bilateral supply contract(s) must be for the same number of MW for all months of the Summer Capability Periods ("Summer Contract CRIS MW")

and the same number of MW for all Specified Winter Months ("Winter Contract CRIS MW"). The Winter Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

40.13.11.1.1.3 An entity holding External CRIS Rights under a Contract Commitment must certify the bilateral supply contract for every month of the Summer Capability Periods and all Specified Winter Months for the applicable Contract CRIS MW. The Summer Contract CRIS MW must be certified for every month of the Summer Capability Period, and the Winter Contract CRIS MW must be certified for every Specified Winter Month (if any).

40.13.11.1.2 Non-Contract Commitment

An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed number of MW of External Installed Capacity for every month of the commitment, as described below, in the ISO Installed Capacity auctions for an Award Period of at least five (5) years. The entity must have ownership or contract control of External Installed Capacity to fulfill its Non-Contract Commitment throughout the Award Period.

40.13.11.1.2.1 The Non-Contract Commitment must be made for all months of the Summer Capability Periods over the term of the Award Period but need not include any months in the Winter Capability Periods. The entity must identify the Specified Winter Months, if any, of the Winter Capability Periods for which it will make the commitment.

40.13.11.1.2.2 The commitment must be for the same number of MW for each month of the Summer Capability Period ("Summer Non-Contract CRIS MW"), and the same number of MW for all Specified Winter Months ("Winter Non-Contract

CRIS MW"). The Winter Non-Contract CRIS MW level must be less than or equal to the Summer Contract CRIS MW level.

40.13.11.1.2.3 An entity holding External CRIS Rights under a Non-Contract Commitment must offer the committed capacity (a) in at least one of the following NYCA auctions: the Capability Period Auction, the Monthly Auction or the ICAP Spot Market Auction, or (b) through a certified and scheduled Bilateral Transaction (as such terms not defined in this Attachment HH are defined in the ISO Services Tariff). The Summer Non-Contract CRIS MW must be offered for every month of the Summer Capability Period, and the Winter Non-Contract CRIS MW must be offered for every Specified Winter Month (if any).

40.13.11.1.2.4 Notwithstanding other capacity mitigation measures that may apply, the offers to sell Installed Capacity into an auction submitted pursuant to this Non-Contract Commitment will be subject to an offer cap for each month of the Summer Capability Periods and each Specified Winter Month. This offer cap will be determined in accordance with the provisions contained in Section 5.12.2.4 of the ISO Services Tariff.

40.13.11.1.3 Failure to Meet Commitment

If an entity fails to certify or offer the full number of Contract CRIS MW or Non-Contract CRIS MW in accordance with the terms stated above, in Sections 40.13.11.1.1 and 40.13.11.1.2, the entity shall pay the ISO an amount equal to 1.5 times the Installed Capacity Spot Auction Market Clearing Price for the month in which either the capacity under Non-Contract Commitment was not offered or the Contract Commitment to supply ICAP was not

certified ("Supply Failure"), times the number of MW committed under the Non-Contract or Contract Commitment but not offered.

40.13.11.1.3.1 Within a given Award Period and each subsequent renewal of an Award Period pursuant to Section 40.18.2.4 herein, for the first three (3) instances of a Supply Failure, no additional actions will be taken. Upon the fourth instance within the Award Period or the fourth instance within a subsequent renewal period of a Supply Failure, the associated External CRIS Rights will be terminated in their entirety with no ability to renew. Entities that had External CRIS Rights terminated may reapply for External CRIS in accordance with Section 40.13.11.1.4.2 below. Nothing in this Section 40.13.11.1.3 shall be construed to limit or diminish any provision in the Market Power Mitigation Measures or the Market Monitoring Plan.

40.13.11.1.4 Obtaining External CRIS Rights

An entity making a Contract Commitment or Non-Contract Commitment of External Installed Capacity may obtain External CRIS Rights for a specified number of MW of External Installed Capacity in one of two different ways, either (i) by converting MW of grandfathered deliverability rights over the External Interface with Quebec (via Chateauguay), or (ii) by having its specified MW of External Installed Capacity evaluated in a Cluster Study Deliverability Study, both as described herein.

40.13.11.1.4.1 One-Time Conversion of Grandfathered Rights. An entity can request to convert a specified number of MW pursuant to the conversion process established in Section 5.12.2.3 of the ISO Services Tariff.

40.13.11.1.4.2 Class Year Deliverability Study. An entity may seek to obtain External CRIS Rights for its External Installed Capacity by requesting that its External Installed Capacity be evaluated for deliverability in a Cluster Study Process. To make such a request an entity must submit a CRIS-Only Request in accordance with Section 40.2 of this Attachment HH.

40.13.11.1.4.2.1 Upon satisfaction of the CRIS-Only Request requirements in Section 40.2.3 of this Attachment HH, the entity requesting External CRIS Rights for its External Installed Capacity is made a Cluster Study Project.

40.13.11.1.4.2.2 The entity's MW of External Installed Capacity covered by its bilateral contract(s) or, in the case of a Non-Contract Commitment the number of MW committed by the entity, are evaluated for deliverability within the Rest of State Capacity Region. The entity's External Installed Capacity is not subject to the NYISO Minimum Interconnection Standard. The ISO will determine whether the requests for External CRIS Rights within a given Cluster Study exceed the import limit, established pursuant to ISO procedures, for the applicable External Interface that is in effect on the Phase 1 Study Start Date when combined, to the extent not already reflected in the import limit, with the following: (1) awarded External CRIS Rights at the same External Interface, (2) Grandfathered External Installed Capacity Agreements listed in Attachment E of the ISO Installed Capacity Manual at the same External Interface, and (3) the Existing Transmission Capacity for Native Load listed for New York State Electric & Gas Corporation in Table 3 of Attachment L to the ISO OATT (applies to the PJM interface only) ("Combined Total MW"). In addition to the other requirements

stated herein, External CRIS Rights will only be awarded to the extent that the Combined Total MW does not exceed the import limit, as described above.

40.13.11.1.4.2.3 The Cluster Study Deliverability Study report will include an SDU Project Cost Allocation and a Deliverable MW number for the entity's External Installed Capacity.

40.13.11.1.4.2.4 The entity will have the same decision alternatives as other Cluster Study Projects participating in the Cluster Study Deliverability Study only. That is, the entity may either (a) accept its SDU Project Cost Allocation, (b) decline its SDU Project Cost Allocation and accept its Deliverability MW figure, or (c) decline both its SDU Project Cost Allocation and its Deliverable MW. If the entity does decline both its SDU Project Cost Allocation and its Deliverable MW, the entity's External Installed Capacity will be removed from the Cluster Study Deliverability Study.

40.13.11.1.4.2.5 If the entity accepts its SDU Project Cost Allocation, it must pay cash or provide Security for the System Deliverability Upgrades, like any other Cluster Study Project.

40.13.11.1.4.2.6 If the entity accepts its SDU Project Cost Allocation and pays cash or posts Security for the System Deliverability Upgrades as required by this Attachment HH, the entity must also 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 the System Deliverability Upgrades pursuant to Section 40.21.

40.13.11.1.4.2.7 By the end of the Initial Decisional Round of the Final Decision Period (*i.e.*, thirty (30) days from ISO Operating Committee approval of the Cluster Study Deliverability Study), an entity making a Contract Commitment and accepting either its SDU Project Cost Allocation or Deliverable MW quantity, must provide specific contract and resource information to the ISO. Unless entities are supplying External Installed Capacity as Control Area System Resources, requests for External Installed Capacity shall be resource-specific. Entities are permitted to substitute resources located in the same External Control Area. Such substitutions shall be subject to review and approval by ISO consistent with ISO Procedures and deadlines specified therein.

40.13.11.1.4.2.8 If the entity satisfies the requirements described in this Section 40.13.11.1.4, the entity will obtain External CRIS Rights for the number of MW determined to be deliverable, made deliverable through a System Deliverability Upgrade (with an accepted SDU Project Cost Allocation), or deemed deliverable through a commitment to pay for a System Deliverability Upgrade.

40.13.12 Cost Allocation for Highway System Deliverability Upgrades

40.13.12.1 If the portion of the Highway System Deliverability Upgrades (measured in MW) required to make one or more Cluster Study CRIS Projects in a Cluster Study deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, each Interconnection Customer(s) of such Cluster Study CRIS Project(s) will be responsible for its *pro rata* Cluster share of one hundred percent (100%) of the cost of the System Deliverability Upgrades.

40.13.12.2 If the portion of the System Deliverability Upgrades required to make one or more Cluster Study CRIS Projects in a Cluster Study deliverable is less than ninety percent (90%) of the total size (measured in MW) of the Highway System Deliverability Upgrade, the Interconnection Customer(s) will be required to pay or commit to pay for a percentage share of the total cost of the Highway System Deliverability Upgrades equal to the estimated percentage megawatt usage by the Class Year CRIS Project of the total megawatts provided by the System Deliverability Upgrades. Other Cluster Study Projects in the current Cluster Study Deliverability Study may share in the cost of these System Deliverability Upgrades, on the same basis. Projects in the current Cluster Study Deliverability Study will not be allocated all of the cost of these System Deliverability Upgrades. The rest of the cost of these System Deliverability Upgrades will be allocated to Load Serving Entities and subsequent Interconnection Customers, as described in this Section 40.13.12. The Interconnection Customer may either (1) make a cash payment of its proportionate share of the upgrade, which will be held by the Connecting Transmission Owner and Affected Transmission Owner(s) in interest-bearing account(s); or (2) post Security (as defined in this Attachment HH) meeting the commercially reasonable requirements of the Connecting Transmission Owner and Affected Transmission Owner(s) for the Interconnection Customer's proportionate share of the cost of the upgrade. The amount(s) of cash or Security that an Interconnection Customer must provide to its Connecting Transmission Owner and any Affected Transmission Owners will be included in the Cluster Study Deliverability Study report. If the Interconnection Customer

chooses to provide Security, its allocated cost will be increased by an annual construction-focused inflation index. The Interconnection Customer will update its Security on an annual basis to reflect this increase. Except for this adjustment for inflation, the cost allocated to the Interconnection Customers will not be increased if the estimated cost of the Highway System Deliverability Upgrade increases. However, the costs allocated to subsequent Interconnection Customers will be based on a current cost estimate of the Highway System Deliverability Upgrade project.

40.13.12.3 If requesting CRIS, the Cluster Study Project in the current Cluster Study Deliverability Study will be considered deliverable, and eligible to become a qualified Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, as applicable and subject to eligibility requirements in the ISO Procedures, when the Project associated with the CRIS request is in service, provided the Interconnection Customer has paid its share of the total cost of System Deliverability Upgrades necessary to support the requested CRIS level, or made a satisfactory commitment to do so. Highway System Deliverability Upgrades – where the System Deliverability Upgrades are below the ninety percent (90%) threshold discussed in Section 40.13.12.2 above – will be constructed and funded either (i) according to Sections 40.13.12.3.1 and 40.13.12.3.2 below, or (ii) according to Section 40.13.12.3.3 below.

40.13.12.3.1 When a threshold of sixty percent (60%) of the most current cost estimate of the System Deliverability Upgrade has been paid or posted as Security by

Interconnection Customers, the Highway System Deliverability Upgrade will be built by the Transmission Owner that owns the facility to be upgraded. If the facility to be constructed will be entirely new, construction should be completed by the Transmission Owner that owns or controls the necessary site or right of way. If no Transmission Owner(s) has such control, construction should be completed by the Transmission Owner in whose Transmission District the facility would be constructed. If the upgrade crosses multiple Transmission Districts, each Transmission Owner will be responsible for the portion of the upgrade in its Transmission District.

40.13.12.3.2 The actual cost of the Highway System Deliverability Upgrade project described above that was paid for by Interconnection Customers will be funded by Load Serving Entities, using the rate mechanism contained in Schedule 12 of the ISO OATT. Load Serving Entity funding responsibility for the Highway System Deliverability Upgrade will be allocated among Load Serving Entities based on their proportionate share of the ICAP requirement in the statewide capacity market, adjusted to subtract their locational capacity requirements; *provided, however*, that Load Serving Entities will not be responsible for actual costs in excess of their share of the final Class Year estimated cost of the Highway System Deliverability Upgrade if the excess results from causes, as described in Section 40.16.3.4 of this Attachment HH, within the control of a Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade.

40.13.12.3.3 If the ISO triggers a transmission project under the Reliability Planning Process, selects a transmission project under the Short-Term Reliability Process,

selects a transmission upgrade under the Public Policy Transmission Planning Process, or results in a Regulated Economic Transmission Project being approved under the Economic Planning Process (collectively "CSPP transmission upgrade") and the CSPP transmission upgrade requires construction of a transmission facility that provides the same or greater transfer limit capability as the Highway facility identified as a Highway System Deliverability Upgrade to be constructed earlier than would be the case pursuant to Section 40.13.12.3.1, the CSPP transmission upgrade will be constructed as determined in the CSPP or the Short-Term Reliability Process, as applicable. Funds collected from Interconnection Customers (pursuant to Section 40.13.12.2, above) will be used to cover a portion of the regulated solution costs to the extent that the funds collected from Interconnection Customers were collected for System Deliverability Upgrades that are actually constructed by the regulated solution. To the extent this is true, these funds originally collected (or posted as Security) for System Deliverability Upgrades will be used as an offset to the total CSPP transmission upgrade cost, with the remainder of the upgrade cost to be allocated per the requirements of the CSPP, as set forth in Section 31.5 of Attachment Y to the ISO OATT, or the Short-Term Reliability Process, as set forth in Section 38.22 of Attachment FF to the ISO OATT.

To the extent funds collected from Interconnection Customers for System Deliverability Upgrades are insufficient to cover the entire cost of the CSPP transmission upgrades, the Interconnection Customers' contribution to the System Deliverability Upgrades allocated to the CSPP transmission upgrades will not

exceed the Interconnection Customers' respective Project Cost Allocations for the System Deliverability Upgrade. To the extent funds collected from Interconnection Customers for System Deliverability Upgrades exceed the cost of the CSPP transmission upgrades, the funds collected for the System Deliverability Upgrades will be allocated to the CSPP transmission upgrade *pro rata* with the Interconnection Customers' contribution to the System Deliverability Upgrades, and excess funds or Security for System Deliverability Upgrades above the cost of the CSPP transmission upgrade will be returned to the Interconnection Customers.

40.13.12.4 If an Interconnection Customer has accepted its Project Cost Allocation, the Interconnection Customer may elect before the construction of an identified Highway System Deliverability Upgrade is commenced, to be retested for deliverability by entering a Cluster Study. The Interconnection Customer's cost responsibility for System Deliverability Upgrades shall not increase as a result of such retesting. It may decrease or be eliminated. If the Interconnection Customer's Project is found to be deliverable without the System Deliverability Upgrades previously identified, the Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner will terminate Interconnection Customer's Security posting, or will return the Interconnection Customer's cash payment with the interest earned.

40.13.12.5 When the Highway System Deliverability Upgrades are placed in to Commercial Operation and any resulting Incremental TCCs related to the Highway System Deliverability Upgrade become effective in accordance with Section 19.2.4 of Attachment M of the ISO OATT, an Interconnection Customer

electing to receive its proportionate share of such Incremental TCCs, as further described in Section 40.13.2.2 of this Attachment HH, will receive its proportionate share of such Incremental TCCs.

40.13.12.5.1 Load Serving Entities required by this Section 40.13.12 to fund a portion of the costs of a Highway System Deliverability Upgrade will receive the corresponding financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade, as further described in Section 40.13.2.2 of this Attachment HH. The corresponding financial value of any such Incremental TCCs will be accounted for in determining the applicable Highway Facilities Charge in accordance with Schedule 12 of the ISO OATT. The eligibility of the Load Serving Entities to the financial value of any Incremental TCCs related to the System Deliverability Upgrade held by the Transmission Owner(s) responsible for constructing the Highway System Deliverability Upgrade shall commence as of the date such Incremental TCCs become effective in accordance with Section 19.2.4 of Attachment M to the OATT and continue until the earlier of: (i) the expiration of any such Incremental TCCs; or (ii) the termination of the obligation of the Load Serving Entities to fund a portion of the costs of the Highway System Deliverability Upgrade.

40.13.12.6 As new generators, Class Year Transmission Projects, and Cluster Study Transmission Projects come on line and use the Headroom on System Deliverability Upgrades created by a prior Highway System Deliverability Upgrade, the Interconnection Customers of those new facilities will reimburse the

prior Interconnection Customers or will compensate the Load Serving Entities who funded the System Deliverability Upgrades for use of the Headroom created by the prior Interconnection Customers and Load Serving Entities in accordance with Sections 40.17.1.4 and 40.17.1.5 of these rules.

40.13.12.6.1 In accordance with Section 40.13.2.2 of this Attachment HH, as subsequent Interconnection Customers make Headroom payments to prior Interconnection Customers and if a subsequent Interconnection Customer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Interconnection Customers; *provided, however,* that Incremental TCCs that were previously deemed reserved and are transferred to a subsequent Interconnection Customer will become effective on the first day of the Capability Period that commences following the next Centralized TCC Auction conducted after the subsequent Interconnection Customer makes the necessary Headroom payment and elects to receive its proportionate share of Incremental TCCs.

40.13.12.6.2 In accordance with Section 40.13.2.2 of this Attachment HH, as subsequent Interconnection Customers compensate Load Serving Entities for use of their Headroom by providing any such Headroom payments to the Transmission Owner(s) responsible for constructing a Highway System Deliverability Upgrade and if a subsequent Interconnection Customer elects to receive its proportionate share of any Incremental TCCs related to the Highway System Deliverability Upgrade, such Incremental TCCs will be transferred to the subsequent Interconnection Customer.

40.13.12.7 The Transmission Owner responsible for constructing a System Deliverability Upgrade or an Interconnection Customer contributing toward the cost of a System Deliverability Upgrade can elect to construct upgrades that are larger and/or more expensive than the System Deliverability Upgrades identified to support the requested level of CRIS for the Cluster Study CRIS Project in the Cluster Study Deliverability Study, provided that those upgrades are reasonably related to the Cluster Study Project. The party electing to construct the larger upgrade will pay for the incremental cost of the upgrade; *i.e.*, the difference in cost between the cost of the System Deliverability Upgrades as determined by these rules, and the cost of the larger and/or more expensive upgrade.

40.13.13 Agreements for the Engineering, Procurement, and Construction of System Deliverability Upgrades

40.13.13.1 If a System Deliverability Upgrade on the Connecting Transmission Owner's system is cost allocated to an Interconnection Customer and such Interconnection Customer accepts its SDU Project Cost Allocation and pays cash or posts Security for the System Deliverability Upgrade, the Standard Interconnection Agreement among the Interconnection Customer, Connecting Transmission Owner, and ISO will provide for the engineering, procurement and construction of such System Deliverability Upgrade.

40.13.13.2 If a System Deliverability Upgrade on an Affected System is cost allocated to an Interconnection Customer and such Interconnection Customer accepts its SDU Project Cost Allocation and pays cash or posts Security for the System Deliverability Upgrade, the ISO shall tender to the Interconnection Customer and Affected System Operator a Standard Upgrade Construction Agreement in accordance with the requirements in Section 40.21 to this

Attachment HH to provide for the engineering, procurement and construction of the System Deliverability Upgrades on the Affected System.

40.13.13.3 If a System Deliverability Upgrade is cost allocated to multiple Interconnection Customers and multiple Interconnection Customers accept their SDU Project Cost Allocation and pays cash or posts Security for the System Deliverability Upgrade, the ISO shall tender to the Interconnection Customer(s)and, as applicable, Affected System Operator or Connecting Transmission Owner, a Standard Multiparty Upgrade Construction Agreement to provide for the engineering, procurement and construction of the System Deliverability Upgrade.

40.14 Additional SDU Studies

40.14.1 Notice of SDUs Requiring Additional Studies

If a new System Deliverability Upgrade is identified (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study or Cluster Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study or Cluster Study), the ISO will notify all members of the ISO Operating Committee's Interconnection Projects Facilities Study Working Group that the ISO has made such a determination, with such notice to be provided as soon as practicable after the ISO presents the preliminary Cluster Study Deliverability Study results to stakeholders and the ISO Operating Committee approves such results. This notice will be referred to as the "Notice of SDUs Requiring Additional Study." At the same time the ISO issues the Notice of SDUs Requiring Additional Study, the ISO will issue a notice to only the Interconnection Customers of those Cluster Study Projects for which the ISO has identified System Deliverability Upgrades requiring Additional SDU Studies. Each Interconnection Customer to which such notice is issued shall respond to the ISO within ten (10) Calendar Days to indicate whether it elects to (1) proceed or not proceed with an Additional SDU Study for the identified System Deliverability Upgrades; or (2) pursue one of multiple System Deliverability Upgrade alternatives identified by the ISO. The option Interconnection Customer elects will be evaluated in the Additional SDU Study. If the Interconnection Customer does not elect to pursue an Additional SDU Study for required System Deliverability Upgrades, it may only accept or reject its Deliverable MW, if any, in the Cluster Study. If the ISO does not receive the Interconnection Customer's election by the deadline, the Interconnection Customer (1) will be deemed to have notified the ISO that it elects to not proceed with an Additional SDU Study for the identified System Deliverability

Upgrades; and (2) will only be permitted to accept or reject its Deliverable MW, if any, in the Cluster Study.

40.14.2 Additional SDU Studies

40.14.2.1 If no Interconnection Customer of a Cluster Study Project to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Cluster Study will proceed to the Final Decision Period set forth in Section 40.15 of this Attachment HH. Alternatively, if any Interconnection Customer of a Cluster Study Project to which the Notice of SDUs Requiring Additional Study is issued elects to proceed with such additional studies, the Cluster Study will proceed to the Final Decision Period set forth in Section 40.15 of this Attachment HH; *provided, however*, that the Additional SDU Study will be performed separate and apart from the Cluster Study; *provided further* that pursuant to Section 40.15.2 of this Attachment HH, an Interconnection Customer that elects to proceed with an Additional SDU Study must proceed with the Final Decision Period with the rest of the Cluster for that Cluster Study for its CTOAF and SUF Project Cost Allocation, its SDU Project Cost Allocation for any other System Deliverability Upgrades, and Deliverable MW, if any.

40.14.2.2 The ISO will submit to the Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator any System Deliverability Upgrades identified by the ISO in the Additional SDU Study. Upon the ISO's submission of the identified System Deliverability Upgrades, the applicable Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall determine a +30%/-15% estimate of the costs of the equipment, engineering and design work, procurement and construction work and commissioning of the required System Deliverability Upgrades that are identified by the ISO in accordance with Good Utility Practice and, for each of these cost categories, shall specify and

estimate the cost of the required work. The Transmission Owner will calculate cost estimates based on the assumption that the activities for which the cost estimates are calculated are performed by the Transmission Owner and shall be subject to reasonable exclusions (*e.g.*, environmental, subsurface conditions, permitting, site acquisition costs). The Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator shall also determine a preliminary schedule showing the estimated time required to complete the engineering and design, procurement, construction, installation and commissioning phases for the required System Deliverability Upgrades.

40.14.2.3 Following the ISO's receipt of the final cost estimates and preliminary schedules from the Connecting Transmission Owners, Affected Transmission Owners, and Affected System Operators pursuant to Section 40.14.2.2, the ISO shall complete the draft Additional SDU Study report. The ISO will present the draft Additional SDU Study report to the ISO Operating Committee's Transmission Planning Advisory Subcommittee and Interconnection Project Facilities Study Working Group. The ISO will then present the draft Additional SDU Study report to the ISO's Operating Committee for its approval. Upon the ISO Operating Committee's approval, the Additional SDU Study report will be final. If more than one System Deliverability Upgrade is addressed in an Additional SDU Study for a given Cluster Study Process, the ISO may develop and present a separate Additional SDU Study report and conduct a separate Additional SDU Study Decision Period for each individual System Deliverability Upgrade.

40.14.2.4 If an Additional SDU Study report is approved by the ISO Operating Committee prior to or at the same time as the Cluster Study Report is approved by the ISO Operating Committee, the ISO will perform a combined Final Decision Period and Additional

SDU Study Decision Period. If an Additional SDU Study report is approved by the ISO Operating Committee: (i) after the Cluster Study Report is approved by the ISO Operating Committee but (ii) at least sixty (60) Calendar Days prior to the scheduled Phase 1 Study Start Date, the ISO will commence a separate Additional SDU Study Decision Period pursuant to Section 40.15.2 of this Attachment HH. The ISO shall terminate the Additional SDU Study if: (i) there is not sufficient time to commence the Additional SDU Study Decision Period pursuant to this Section 40.14.2.4, (ii) the Additional SDU Study report is not approved by the ISO Operating Committee prior to ten (10) Business Days prior to the scheduled Phase 1 Study Start Date for the subsequent Cluster Study Process, or (iii) the Additional SDU Study Decision Period is not completed prior to ten (10) Business Days prior to the scheduled Phase 1 Study Start Date for the subsequent Cluster Study Process.

40.14.2.5 If an Interconnection Customer is part of an Additional SDU Study: (i) that does not complete in time for the Interconnection Customer to proceed to the Additional SDU Study Decision Period pursuant to Section 40.15.2 of this Attachment HH or (ii) for which the Additional SDU Study Decision Period is terminated, the following provisions apply:

(1) The Interconnection Customer may later request, any number of times, to enter a subsequent Cluster Study (*i.e.*, a Cluster Study subsequent to the one in which the Additional SDU Study was triggered) or an Expedited Deliverability Study and be evaluated for CRIS.

(2) To enter a subsequent Cluster Study, the Interconnection Customer must satisfy the applicable entry requirements for an Interconnection Request or CRIS-Only Request in the Application Window for the Cluster Study Process set forth in Section 40.5.4 of this Attachment HH. To enter an Expedited Deliverability

Study, the Interconnection Customer must satisfy the entry requirements set forth in Section 40.19.2 of this Attachment HH.

40.15 Final Decision Period / Additional SDU Study Decision Period

40.15.1 ISO Provision of Description and Project Cost Allocation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades

The ISO shall provide the Interconnection Customer of each Cluster Study Project with a dollar figure for its share of the cost of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities required for the reliable interconnection of the Project to the New York State Transmission System ("CTOAF and SUF Project Cost Allocation"). The ISO shall also provide the Interconnection Customer of each Cluster Study Project requesting CRIS with (i) a dollar figure for its share of the cost of the System Deliverability Upgrades required for the megawatt level of CRIS requested for the Cluster Study Project ("SDU Project Cost Allocation"), and (ii) the number of megawatts of Installed Capacity, if any, that are deliverable from the Cluster Study Project with no new System Deliverability Upgrades ("Deliverable MW"). The ISO shall also provide a dollar figure for the total cost of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades required for interconnection of the Cluster Study Project, as well as a description of the required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades, their expected in-service date, and a plan for their installation that is sufficient to verify these dollar figures. The ISO shall also provide a dollar figure for the total cost of all Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities required by Projects in the Cluster Study and a dollar figure for the total cost of the System Deliverability Upgrades necessary to support the level of CRIS requested by each Cluster Study Project. Each Cluster Study Project will be

given the Project Cost Allocation(s) and, Deliverable MW, if any associated with its Interconnection Service evaluation election, as soon as practicable prior to the submittal of the Cluster Study Report with the Cluster Project Assessment and Cluster Study Deliverability Study to the ISO Operating Committee.

40.15.2 Decision Rounds in the Final Decision Period for the Cluster Study and the Additional SDU Study Decision Period for the Additional SDU Study

40.15.2.1 Each Interconnection Customer shall provide notice to the ISO, in writing and via electronic mail, stating whether it shall accept (an "Acceptance Notice") or not accept (a "Non-Acceptance Notice") the Project Cost Allocation(s) and Deliverable MW, if any, reported to it by the ISO for its Cluster Study Project:

(i) within thirty (30) Calendar Days – the Initial Decision Round – following, as applicable, (1) approval of the final Cluster Study Report with the Cluster Project Assessment and Cluster Study Deliverability Study by the ISO Operating Committee in accordance with Section 40.11.7; or (2) approval of the final Additional SDU Study report by the ISO Operating Committee in accordance with Section 40.14.2.3, or

(ii) if applicable, within seven (7) Calendar Days – the Subsequent Decision Round – following the ISO's issuance of a revised Cluster Study report or a revised Additional SDU Study report, as applicable, and accompanying Revised Project Cost Allocation and revised Deliverable MW report, as defined in and pursuant to Section 40.15.3.

40.15.2.2 An Interconnection Customer for a Cluster Study Project that is a multi-unit facility may not submit separate notices for separate portions of the Cluster Study Project (*e.g.* a Cluster Study Project that is a Co-located Storage Resource may not submit an Acceptance Notice for one of its resources and a Non-Acceptance Notice for the co-located resource).

40.15.2.3 Failure to notify the ISO by the prescribed deadline as to whether an Interconnection Customer accepts or rejects its Project Cost Allocation and Deliverable MW, if any, will be deemed a Non-Acceptance Notice. Each Interconnection Customer may respond with either an Acceptance Notice or a Non-Acceptance Notice to each Project Cost Allocation and Deliverable MW reported to it by the ISO. An Acceptance Notice for Projects not yet in-service must also include a confirmed Initial Backfeed Date and Commercial Operation Date, subject to the limitations set forth in Section 40.6.3.4.

40.15.2.4 An Interconnection Customer that requests to be evaluated for CRIS may accept both its SDU Project Cost Allocation and its CTOAF and SUF Project Cost Allocation. Alternatively, that Interconnection Customer, if it accepts its CTOAF and SUF Project Cost Allocation, may provide a Non-Acceptance Notice for its SDU Project Cost Allocation and at the same time accept, or not accept its Deliverable MW. Or, as another alternative, that same Interconnection Customer may elect to interconnect taking ERIS by providing an Acceptance Notice only for its CTOAF and SUF Project Cost Allocation.

40.15.2.5 An Interconnection Customer that accepts a CTOAF and SUF Project Cost Allocation and/or an SDU Project Cost Allocation will not be provided with the option to accept a Revised Project Cost Allocation following a Subsequent Decision Round unless the Revised Project Cost Allocation provides for (1) an increase of greater than ten percent (10%) in the CTOAF and SUF Project Cost Allocation or the SDU Project Cost Allocation; or (2) a decrease in the Interconnection Customer's Deliverable MW.

40.15.2.6 If the ISO commences an Additional SDU Study Decision Period separate from the Final Decision Period in accordance with Section 40.14.2, an Interconnection Customer in the Additional SDU Study must, in the Initial Decision Round or Subsequent Decision

Round(s) of the Final Decision Period for the Cluster Study in which the Additional SDU Study was triggered: (1) accept its CTOAF and SUF Project Cost Allocation and proceed with its Additional SDU Study; or (2) reject its CTOAF and SUF Project Cost Allocation and be withdrawn from both the Cluster Study and the Additional SDU Study.

40.15.2.7 As soon as practicable following the end of the Initial Decision Round and any Subsequent Decision Round, as applicable, but not later than two (2) Business Days following the end of such decision round, the ISO shall report to the ISO Operating Committee, all of the Acceptance Notices and Non-Acceptance Notices that were received during that decision round. For any Project that fails to provide a confirmed Initial Backfeed Date and Commercial Operation Date in its Acceptance Notice or that provides a proposed Initial Backfeed Date or Commercial Operation Date with its Acceptance Notice that is beyond the time period permissible by Section 40.6.3.4, the ISO's Queue will reflect the latest possible permissible date, even if that requires the ISO to reject and modify the proposed Initial Backfeed Date or Commercial Operation Date provided in the Cluster Study Project's Acceptance Notice. Subsequent modifications to a Project's Initial Backfeed Date or Commercial Operation Date are governed by Section 40.6.3.4.

40.15.2.8 If, following the Initial Decision Round or any Subsequent Decision Round, each and every Interconnection Customer that remains eligible at that time provides Acceptance Notice(s), each Interconnection Customer must signify its willingness to pay the Connecting Transmission Owner and Affected Transmission Owner(s) for its share of the required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades that it accepted by (i) satisfying Headroom payment/security posting obligations, if any, as specified in Section 40.17.1.5 and (ii)

paying cash or posting Security in accordance with these rules, for the full amount of its respective Project Cost Allocation within five (5) Business Days after the end of the Initial Decision Round or Subsequent Decision Round, as applicable. Security shall be posted to cover the period ending on the date on which full payment is made to the Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator, as applicable for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities, and the date(s) on which full payment is made to the Connecting Transmission Owner or Affected Transmission Owner(s) for the System Deliverability Upgrades; *provided, however*, that Security may be posted with a term as short as one year, so long as such Security is replaced no later than fifteen (15) Business Days before its stated expiration. In the event Security is not replaced as required in the preceding sentence, the Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator, shall be entitled to draw upon the Security and convert it to cash, which cash shall be held by the Connecting Transmission Owner or Affected Transmission Owner for the account of the Interconnection Customer. The round of the Final Decision Period or Additional SDU Study Decision Period, as applicable, in which no remaining eligible Interconnection Customers issue a Non-Acceptance Notice or commits a Security Posting Default shall be the final round for that Cluster Study or Additional SDU Study (the "Final Decision Round").

40.15.2.9 At the end of the Initial Decision Round or any Subsequent Decision Round, if one or more of the Interconnection Customers with Cluster Study Projects participating in that decision period provides Non-Acceptance Notice (such event a "Non-Acceptance Event"), then the Interconnection Customer of every Cluster Study Project participating in that round shall be relieved of its obligation to pay cash or post Security in connection with that

version of its Project Cost Allocation for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades. In addition, following the Initial Decision Round or any Subsequent Decision Round, if all Interconnection Customers for Cluster Study Projects participating in the round provide Acceptance Notices under the Cluster Study Deliverability Study, the CPA or both, but one or more of the Interconnection Customer fails to pay cash or post the Security required hereunder (such event a "Security Posting Default"), then the beneficiaries of the payments and Security posted by the Interconnection Customers that did pay or post Security (*e.g.*, the Connecting Transmission Owners and Affected Transmission Owners) shall surrender the cash and posted Security to the respective Interconnection Customers immediately. The Connecting Transmission Owners or Affected Transmission Owner(s) shall not make any draws or encumbrances on any cash or posted Security unless and until cash has been paid and Security has been posted by all Interconnection Customers that issued Acceptance Notices in the Final Decision Round.

40.15.2.10 Following the Initial Decision Round, or any Subsequent Decision Round, if a Non-Acceptance Event or a Security Posting Default shall have occurred with respect to the CPA, the ISO will withdraw the Interconnection Customer that provided the Non-Acceptance Notice or committed the Security Posting Default with respect to the CTOAF and SUF Project Cost Allocation from the Cluster Study and the Queue pursuant to Section 40.6.4 and subject to the Withdrawal Penalties set forth in Section 40.6.5. If an Interconnection Customer provides an Acceptance Notice and posts the required Security for the CTOAF and SUF Project Cost Allocation for its Cluster Study Project or has done so in a prior Class Year Interconnection Facilities Study or Cluster Study, but provides a Non-Acceptance Notice with respect to the SDU

Project Cost Allocation for its Cluster Study Project, it may provide an Acceptance Notice for its Deliverable MW and interconnect taking CRIS at that level. If the Interconnection Customer either (i) provides a Non-Acceptance Notice with respect to both the SDU Project Cost Allocation and Deliverable MW for its Cluster Study Project, or (ii) commits a Security Posting Default with respect to the SDU Project Cost Allocation for its Cluster Study Project, then the ISO shall remove the Cluster Study Project from the Class Year Deliverability Study or Additional SDU Study, as applicable, but, if in the Cluster Study, it may continue to participate in the CPA and interconnect taking ERIS if the Interconnection Customer provides an Acceptance Notice and posts the required Security for its CTOAF and SUF Project Cost Allocation. The Interconnection Customer electing to interconnect taking ERIS may later request, any number of times, to enter a Cluster Study or Expedited Deliverability Study and be evaluated for CRIS, subject to the Cluster Study entry requirements set forth in Section 40.5.4 and the Expedited Deliverability Study entry requirements set forth in Section 40.19.2 of this Attachment HH. The Interconnection Customer's Cluster Study Project may not request to be re-evaluated for ERIS. Once a Cluster Study Project is evaluated for CRIS in a later Cluster Study or Expedited Deliverability Study, the Interconnection Customer for that project may elect to accept either its SDU Project Cost Allocation or its Deliverable MW, or the Interconnection Customer may provide a Non-Acceptance Notice for both its SDU Project Cost Allocation and its Deliverable MW and continue its interconnection taking ERIS. If the Interconnection Customer does provide a Non-Acceptance Notice for both the SDU Project Cost Allocation and Deliverable MW for its Cluster Study Project and continues taking ERIS, the Interconnection Customer may later request for its Cluster Study Project to enter a Cluster Study or Expedited Deliverability Study, subject to the Cluster Study entry requirements set forth in Section 40.5.4

and Expedited Deliverability Study entry requirements set forth in Section 40.19.2 of this Attachment HH, and be evaluated again for CRIS. If, however, an Interconnection Customer provides a Non-Acceptance Notice or commits a Security Posting Default for the CTOAF and SUF Project Cost Allocation for the Cluster Study Project, that Cluster Study Project shall be removed from both the CPA and, if applicable, the Class Year Deliverability Study, and the ISO shall withdraw that Interconnection Customer's Interconnection Request pursuant to Section 40.6.4 and subject to the Withdrawal Penalties set forth in Section 40.6.5.

40.15.2.11 Whenever Projects are removed from a Cluster Project Assessment, Cluster Study Deliverability Study, or Additional SDU Study, the ISO will notify the remaining Interconnection Customers still included in the Cluster Project Assessment, Cluster Study Deliverability Study, or Additional SDU Study, as applicable.

40.15.3 Revised Study Results

Immediately following receipt of Non-Acceptance Notices for any SDU Project Cost Allocations or CTOAF and SUF Project Cost Allocations or Deliverable MW, or upon the occurrence of a Security Posting Default, the ISO shall update the Cluster Study results or Additional SDU Study results for those remaining Interconnection Customers that continue to be included in the then-current Cluster Project Assessment, Cluster Study Deliverability Study, or Additional SDU Study, as applicable, to reflect the impact of Non-Acceptance Notices and any Security Posting Default. The updated Cluster Study or Additional SDU Study, as applicable, shall include updated CTOAF and SUF Project Cost Allocations and updated SDU Project Cost Allocations (each a "Revised Project Cost Allocation") together with a revised Deliverable MW report. The updated Cluster Study shall be issued as soon as practicable, but in no event later than fourteen (14) Calendar Days following the occurrence of the Non-Acceptance Event or the

Security Posting Default that necessitated development of the Revised Project Cost Allocations and revised Deliverable MW report. The ISO shall also provide the additional dollar figures relating to total cost for Interconnection Customers in the Cluster Study or Additional SDU Study, as applicable, and the related information, described in Section 40.15.1, above. Following the issuance of the revised Cluster Project Assessment, Cluster Study Deliverability Study, or Additional SDU Study, as applicable, and the issuance of Revised Project Cost Allocations and the revised Deliverable MW, each remaining Interconnection Customer shall provide notice to the ISO within seven (7) Calendar Days whether it will accept its respective Revised Project Cost Allocation and revised Deliverable MW.

40.15.4 Completion of Final Decision Period/Additional SDU Study Decision Period and Refund of Interconnection Customer's Deposits

40.15.4.1 The process set forth in Sections 40.15.2 through 40.15.3 shall be repeated until none of the remaining eligible Interconnection Customers in the Cluster Study or Additional SDU Study, as applicable, provides a Non-Acceptance Notice or commits a Security Posting Default.

40.15.4.2 After the ISO's final reconciliation of the Interconnection Customer's costs incurred in the Cluster Study Process pursuant to Section 40.24.3 and Interconnection Customer's payment of all invoices, the ISO will proceed with the return and cancellation process in Section 40.24.3 for the Study Deposit and Readiness Deposit 2 if:

(i) an Interconnection Customer for a Cluster Study Project accepts its CTOAF and SUF Project Cost Allocation and pays cash or posts Security for that allocated amount in the Final Decision Round of the Final Decision Period; or

(ii) an Interconnection Customer for a CRIS-Only Cluster Study Project: (A) accepts its SDU Project Cost Allocation or Deliverable MWs and pays cash or posts Security for any

allocated amount in the Final Decision Round of, as applicable, the Final Decision Period or Additional SDU Study Decision Period, or (B) participated in an Additional SDU Study that was not completed in the Cluster Study Process pursuant to Section 40.14.2.

40.15.5 Withdrawal Penalties

40.15.5.1 If: (i) an Interconnection Customer withdraws the Interconnection Request or CRIS-Only Request for its Cluster Study Project, or the Interconnection Request or CRIS-Only Request for its Cluster Study Project is deemed withdrawn by the ISO, from the ISO's Queue during the Phase 2 Study, the Final Decision Period, the Additional SDU Study, or the Additional SDU Study Decision Period, except for a CRIS-Only Cluster Study Project that is withdrawn because the Additional SDU Study it participated in was not completed in the Cluster Study Process;

(ii) an Interconnection Customer does not accept the CTOAF and SUF Project Cost Allocation for its Cluster Study Project or does not pay cash or post Security for the allocated amount in the Final Decision Period; or

(iii) an Interconnection Customer does not accept the SDU Project Cost Allocation for its CRIS-Only Cluster Study Project or does not pay cash or post Security for the allocated amount in, as applicable, the Final Decision Period or Additional SDU Study Decision Period (except for an Additional SDU Study that is not completed during the Cluster Study Process),

then the Interconnection Customer for the Cluster Study Project shall pay a Withdrawal Payment in an amount equal to one hundred percent (100%) of the initial Study Deposit amount for the project and twenty percent (20%) of the Readiness Deposit 2 for the project; except for the following:

(A) a CRIS-Only Cluster Study Project shall only pay a Withdrawal Penalty in the amount of one hundred percent (100%) of its initial Study Deposit amount;

(B) if the ISO determined that the Cluster Study Project cannot move forward due to Physical Infeasibility pursuant to Section 40.7.3, then the Cluster Study Project shall not be assessed a Withdrawal Penalty;

(C) if the Interconnection Request or CRIS-Only Request was for a Contingent Project that was withdrawn by the ISO pursuant to Section 40.5.4.1.3, then the Interconnection Request or CRIS-Only Request shall not be assessed a Withdrawal Penalty; and

(D) if the CTOAF and SUF Project Cost Allocation amount is greater than 50% higher than the amount determined in Phase 1 for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities required for the Cluster Study Project, then the Cluster Study Project shall only pay a Withdrawal Penalty in the amount of one hundred percent (100%) of its initial Study Deposit amount and shall not pay a Withdrawal Penalty based on any of its Readiness Deposit 2.

40.15.5.2 The ISO shall invoice, and Interconnection Customer shall pay, for any Withdrawal Penalty as set forth in Section 40.24.3.

40.15.5.3 The ISO shall apply the collected Withdrawal Penalty Funds pursuant to Section 40.6.5.

40.16 Forfeiture of Security/ Future Cost Responsibility

40.16.1 Forfeiture of Security

40.16.1.1 With the exception of the requirement in Section 40.15.2.9 that cash and Security shall be surrendered back to the issuing Interconnection Customer in connection with another Interconnection Customer's Security Posting Default, once an Interconnection Customer has accepted a Project Cost Allocation(s) or Revised Project Cost Allocation(s) in the Final Decision Round of the Final Decision Period or Additional SDU Study Decision Period, as the case may be, and paid cash or posted Security for that amount, such cash payment and Security shall be irrevocable and shall be subject to forfeiture as provided herein in the event that the Interconnection Customer that paid cash or posted the Security subsequently terminates or abandons development of its Project.

40.16.1.1.1 For Projects that accepted a Project Cost Allocation(s) or Revised Project Cost Allocation(s) in the Final Decision Round of the Final Decision Period for a Class Year Study or Additional SDU Study Decision Period completed prior to May 2, 2024, any cash and Security previously posted on a terminated Project will be subject to forfeiture to the extent necessary to defray the cost of the System Upgrade Facilities and System Deliverability Upgrades required for the Projects included in the Annual Transmission Reliability Assessment, Class Year Deliverability Study, or Additional SDU Study, as applicable, but only as described in Section 40.16 and its applicable subsections of this Attachment HH.

40.16.1.1.2 For Projects that accepted a Project Cost Allocation(s) or Revised Project Cost Allocation(s) in the Final Decision Round of the Final Decision Period for a Class Year Study, Cluster Study or Additional SDU Study Decision Period after May 2, 2024, any cash and Security previously posted on a terminated Project will be subject to forfeiture to the extent

necessary to defray the cost of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or Network Upgrade Facilities required for other projects evaluated in a Class Year Study, Cluster Study under this Attachment HH, or in a study performed under OATT Section 3.7, OATT Section 3.9, or Attachment P to the OATT, the base cases of which included the Interconnection Customer's Project and its associated Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades, as applicable, as determined by the ISO upon withdrawal of the Interconnection Customer's Project, but only as described in Section 40.16.3 below.

40.16.1.2 Security for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades constructed by the Interconnection Customer (*i.e.*, facilities for which the Interconnection Customer elects the option to build or constructs with the agreement of the Connecting Transmission Owner or Affected Transmission Owner) shall be reduced after discrete portions of the facilities have been completed, such reductions to be based on cost estimates from the Cluster Study, subject to: (i) review by the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted, (ii) transfer of ownership to the Connecting Transmission Owner or Affected Transmission Owner, as applicable of all subject property, free and clear of any liens, and (iii) transfer of title and any transferable equipment warranties reasonably acceptable to the Connecting Transmission Owner or Affected Transmission Owner with which Security is posted.

40.16.1.3 For Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades constructed by the

Connecting Transmission Owner or Affected Transmission Owner, Security shall be reduced after discrete portions of the facilities have been completed by the Transmission Owner and paid for by the Interconnection Customer, on a dollar-for-dollar basis for payments made to the Connecting Transmission Owner or Affected Transmission Owner pursuant to an E&P Agreement or Standard Interconnection Agreement, subject to the Connecting Transmission Owner's or Affected Transmission Owner's review and approval.

40.16.2 No Interconnection Customer Responsibility for Future Upgrades

Once an Interconnection Customer has posted Security for its share of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and System Upgrade Facilities required for its project, and paid cash or posted Security for its share of the System Deliverability Upgrades required for its project, then, except as provided in Section 40.16.3 of these rules, that Interconnection Customer has no further responsibility for the cost of additional Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades that may be required in the future.

40.16.2.1 The Interconnection Agreement will reflect the Interconnection Customer's responsibility for the cost of new Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades, as that responsibility has been determined in accordance with these rules.

40.16.2.2 The cost of those additional Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades needed for future interconnection projects will be

shared between future Interconnection Customers and Transmission Owners, and allocated among future Interconnection Customers, in accordance with the rules.

40.16.3 Interconnection Customer's Future Cost Responsibility

Once an Interconnection Customer, (i) for a Class Year Project or Cluster Study Project, has accepted a Project Cost Allocation or Revised Project Cost Allocation, as the case may be, in the Final Decision Round of the Final Decision Period or Additional SDU Study Decision Period, as applicable, and paid cash or posted Security for that amount, (ii) for a Small Generating Facility, has accepted its cost allocation and paid cash or posted security pursuant to Section 32.3.5.7 of Attachment Z to the OATT, or (iii) has accepted revised costs estimates identified in a Cost Estimate Update and provided cash or posted Security in the revised amount in accordance with Section 40.6.3.5.3.3, then the accepted figure caps the Interconnection Customer's maximum potential responsibility for the cost of Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades required for its Project, except as discussed below.

40.16.3.1 If: (i) the portion of the Highway System Deliverability Upgrades required to make the Interconnection Customer's generator, Class Year Transmission Project, or Cluster Study Transmission Project deliverable is less than 90% of the total size of the Highway System Deliverability Upgrade identified for the Interconnection Customer's Project, and (ii) Interconnection Customer elects to commit to pay for its proportionate share of the Highway System Deliverability Upgrade by posting Security instead of paying cash, then the Interconnection Customer's allocated cost of the Highway System Deliverability Upgrade will be increased during the period of construction deferral by application of a

construction inflation adjustment, as discussed in Section 40.13.12.2 of these rules. When deferred construction of the Highway System Deliverability Upgrade commences, the Interconnection Customer will be responsible for actual costs in excess of the secured amount only when the excess results from changes to the operating characteristics of the Interconnection Customer's Project. If the portion of the System Deliverability Upgrades for a Highway System Deliverability Upgrade required to make one or more generators or Class Year Transmission Projects, or Cluster Study Transmission Projects deliverable is ninety percent (90%) or more of the total size (measured in MW) of the System Deliverability Upgrades, construction is not deferred, and those Interconnection Customer will be responsible for actual costs in excess of the secured amount in accordance with the rules in Sections 40.16.3.2 and 40.16.3.4 of this Attachment HH.

40.16.3.2 If the actual cost of the Interconnection Customer's share of required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades is less than the agreed-to and secured amount, the Interconnection Customer is responsible only for the actual cost figure.

40.16.3.3 If the actual cost of the Interconnection Customer's share of required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades would be greater than the agreed-to and secured amount because other Projects have been expanded, accelerated, otherwise modified, or terminated, including Transmission

Projects evaluated pursuant to Attachment P to the ISO OATT and their required upgrades, as identified pursuant to Attachment P to the ISO OATT, then the Interconnection Customer is responsible only for the agreed-to and secured amount for its Project. The additional cost is covered by the Interconnection Customers of the modified Projects, in accordance with these cost allocation rules, or by the drawing on the cash that has been paid and the Security that has been posted for terminated Projects, depending on the factors that caused the additional cost. Forfeitable cash and Security will be drawn on only as needed for this purpose, and only to the extent that the terminated Project associated with that Security has caused additional cost.

40.16.3.4 If the actual cost of the Interconnection Customer's share of required Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades is greater than the agreed-to and secured amount because of circumstances that are not within the control of the Connecting Transmission Owner or Affected Transmission Owner(s) (such as, for example: (i) changes to the design or operating characteristics of the Project that impact the scope or cost of related Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades; (ii) any costs that were not within the scope of the Class Year Study, Cluster Study, or Additional SDU Study, as applicable, that subsequently become known as part of the final construction design, including costs related to detailed design studies such as electro-magnetic transient analyses and subsynchronous resonance analyses; or

(iii) cost escalation of materials or labor, or changes in the commercial availability of physical components required for construction), the cost cap shall be adjusted by any such amount, and the Interconnection Customer or the Load Serving Entity will pay the additional costs to the Connecting Transmission Owner or Affected Transmission Owner(s) as such costs are incurred by each of them. However, to the extent that some or all of the excess cost is due to factors within the control of the Connecting Transmission Owner or the Affected Transmission Owner(s) (such as, for example, additional construction man-hours due to Connecting Transmission Owner or the Affected Transmission Owner(s) management, or correcting equipment scope deficiencies due to Connecting Transmission Owner or the Affected Transmission Owner(s) oversights), then that portion of the excess cost will be borne by the Connecting Transmission Owner or the Affected Transmission Owner(s). Disputes between the Interconnection Customer and the Connecting Transmission Owner or Affected Transmission Owner concerning costs in excess of the agreed-to and secured amount will be resolved by the parties in accordance with the terms and conditions of the applicable interconnection or construction agreement.

40.17 Headroom

40.17.1 Headroom Accounting

If, pursuant to these rules, an Interconnection Customer, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator, or Load Serving Entity (each an "Entity") pays for any Distribution Upgrades, System Upgrade Facilities or System Deliverability Upgrades, or for any Attachment Facilities or Distribution Upgrades that are later determined to be Distribution Upgrades, System Upgrade Facilities or System Deliverability Upgrades, that create "Headroom," and pays for the Headroom that is created, then that Entity will be paid the depreciated cost of that Headroom by the Interconnection Customer of any subsequent Project that interconnects and uses the Headroom within the applicable period of time following the creation of the Headroom, as specified in Section 40.17.1.3 herein. The ISO will depreciate Headroom cost in accordance with Section 40.17.1.3 herein.

40.17.1.1 Interconnection Customers of terminated Projects who have paid for Headroom with forfeited cash or Security instruments, as well as Interconnection Customers of completed Projects who have paid for Headroom, will be repaid in accordance with these rules.

40.17.1.2 The Interconnection Customer of the subsequent Project shall pay the prior Entity as soon as the cost responsibilities of the subsequent Interconnection Customer are determined in accordance with these rules. In the case of Headroom created by Load Serving Entity funding Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, the Interconnection Customer of the subsequent Project shall pay the Connecting Transmission Owner, and any Affected Transmission Owner(s) or Affected System Operator, that are receiving

or will receive Load Serving Entity funding for the Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT. Upon receipt of the Interconnection Customer's Headroom payment, the Connecting Transmission Owner and any Affected Transmission Owner(s) or Affected System Operator, will make the rate adjustment(s) called for by Section 6.12.4.1.3 of Schedule 12 of the ISO OATT.

40.17.1.3 The ISO will determine the depreciated cost of the Distribution Upgrades, System Upgrade Facilities and/or System Deliverability Upgrades associated with the Entity-created Headroom using one of the following two methods:

40.17.1.3.1 In all cases except the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to comparable facilities by the Connecting Transmission Owner or the applicable Affected Transmission Owner or Affected System Operator. The ISO will depreciate the Headroom cost annually, starting with the year when the Headroom account is first established.

40.17.1.3.2 In the case of Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will use the FERC-approved depreciation schedule applied to the particular Highway System Deliverability Upgrades by the Connecting Transmission Owner or the applicable Affected Transmission Owner or Affected System Operator pursuant to Schedule 12 of the ISO OATT. The ISO will depreciate the Headroom cost annually, starting with the year the Highway System Deliverability Upgrade is placed in

service. If a Cluster Study Deliverability Study or Additional SDU Study determines that an Interconnection Customer in such study uses Headroom on such a Highway System Deliverability Upgrade before the Highway System Deliverability Upgrade has been placed in service, the ISO will calculate the Headroom use payment obligation of the Interconnection Customer using the undepreciated cost of the Headroom.

40.17.1.4 Entity-created Headroom will be measured by the ISO in accordance with these rules. The use that a subsequent Project makes of Entity-created Headroom will also be measured by the ISO in accordance with these rules.

40.17.1.4.1 In the case of Headroom on Distribution Upgrades, System Upgrade Facilities that have an excess functional capacity not readily measured in amperes or other discrete electrical units, the use that each subsequent Project makes of the Entity-created Headroom will be measured solely by using the total number of Projects in the current and prior Cluster Studies and Class Years needing or using the System Upgrade Facility.

40.17.1.4.1.1 The use that each Project in a subsequent Cluster Study makes of Headroom on such a Distribution Upgrade or System Upgrade Facility will be measured as an amount equal to (1/b), where "b" is the total number of Projects in all prior and current Cluster Studies and Class Years using the System Upgrade Facility.

40.17.1.4.1.2 Each Interconnection Customer in a subsequent Cluster Study that uses Headroom on such a Distribution Upgrade or System Upgrade Facility will make a Headroom payment to all prior Interconnection Customers that have previously

made payments for that Distribution Upgrade or System Upgrade Facility, both the prior Interconnection Customers that have previously made Headroom payments and the Interconnection in the first Class Year or Cluster Study, as applicable, that paid for the original installation of the Distribution Upgrade or System Upgrade Facility. The amount of the Headroom payment to each prior Interconnection that each Interconnection Customer in a subsequent Cluster Study must make for its use of Headroom on such a Distribution Upgrade or System Upgrade Facility will be an amount equal to c/(b)x(d), where "c" is the depreciated cost of the Distribution Upgrade or System Upgrade Facility at the time of the subsequent Cluster Study, "b" is the total number of Projects in all prior and current Class Years and Cluster Studies using the Distribution Upgrade or System Upgrade Facility, and "d" is the total number of Projects in all the prior Class Years and Cluster Studies that have previously made payments for the Distribution Upgrade or System Upgrade Facility, both Headroom payments and payments for original installation.

40.17.1.4.2 In the case of Distribution Upgrades, System Upgrade Facilities or System Deliverability Upgrades that have an excess capacity readily measured in amperes or other discrete electrical units, the use the subsequent Project makes of the Entity-created Headroom will be measured in terms of the electrical impact of the subsequent Project, as that electrical impact is determined by the ISO in accordance with these rules.

40.17.1.4.3 The ISO will publish accounts showing the Headroom for each Interconnection Customer and other Entities, and will update those accounts to

reflect the impact of subsequent Projects. With the exception of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of an Entity when the electrical values in the account are reduced to zero or when ten years have passed since the establishment of the account, whichever occurs first.

40.17.1.4.3.1 In the case of Headroom on Highway System Deliverability Upgrades funded by Load Serving Entities pursuant to Schedule 12 of the ISO OATT, the ISO will close the Headroom account of the Load Serving Entity when the MW value in the account is reduced to zero, or at the end of the useful financial life of the Highway System Deliverability Upgrades, whichever occurs first.

40.17.1.4.4 If a subsequent Interconnection Customer uses up all the Headroom of an earlier Entity, and also triggers the need for a new Distribution Upgrade, System Upgrade Facility or System Deliverability Upgrade, then the subsequent Interconnection Customer will pay the Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator for the new Distribution Upgrade. System Upgrade Facility or System Deliverability Upgrade, but will not pay the earlier Entity for the Headroom used up or the account extinguished. However, the earlier Entity will get a new Headroom account and a *pro rata* share of the Headroom in the new Distribution Upgrade, System Upgrade Facility or System Deliverability Upgrade purchased by the subsequent Interconnection Customer. The economic value of this *pro rata* share will be equal to the

economic value of the earlier Entity's Headroom account that was extinguished by the subsequent Interconnection Customer.

40.17.1.5 The Interconnection Customer of the subsequent Project shall pay the prior Entity within the five (5) business day period specified in Section 40.15.2.8 of this Attachment HH. Headroom obligations related to a Distribution Upgrade or System Upgrade Facility that has been fully constructed must be satisfied by cash payment. All remaining Headroom obligations may be satisfied by a form of "Headroom Security" – a bond, irrevocable letter of credit, parent company guarantee or other form of security from an entity with an investment grade rating, executed for the benefit of the prior Entity, meeting the requirements of these cost allocation rules, and meeting the respective commercially reasonable requirements of the prior Entity. Headroom Security shall be posted to cover the period ending on the date on which full payment is made to the prior Entity for the Headroom obligation; *provided, however*, that Headroom Security may be posted with a term as short as one year, so long as such Headroom Security is replaced no later than fifteen (15) business days before its stated expiration. In the event Headroom Security is not replaced as required in the preceding sentence, the prior Entity shall be entitled to draw upon the Headroom Security and convert it to cash, which cash shall be held by the prior Entity for the account of the Interconnection Customer.

40.17.2 Headroom Account Adjustments in the CBA

In addition to the adjustments made by the ISO in Headroom accounts to reflect the impact of subsequent Projects, the ISO will make other adjustments to Headroom accounts when

preparing for each Cluster Baseline Assessment. The ISO will make these adjustments to reflect the impact of changes in the Existing System Representation modeled for the Cluster Baseline Assessment that result from the installation, expansion or retirement of generation and transmission facilities for load growth and changes in load patterns. Such changes in the Existing System Representation can also result from changes in these rules or the criteria, methods, or software used to apply these rules.

40.17.2.1 No compensation will be paid as a result of these changes to the Existing System Representation. However, the ISO will adjust the ratios of dollars to electrical values in each Entity's account to maintain the economic value of the Entity's account that existed before the changes were made in the Existing System Representation.

40.17.2.2 The ISO will make no adjustments to Headroom accounts for the impact of subsequent generic solutions, except in those cases where the generic solution is a Cluster Study Project and the adjustment is made to reflect the impact of the Cluster Study Project.

40.17.3 Rate Base Facilities

With the exception of Interconnection Customer's use of Headroom created by Load Serving Entity funding of Highway System Deliverability Upgrades pursuant to Schedule 12 of the ISO OATT, Interconnection Customers are not charged for their use of any rate base facilities, except to the degree applicable as customers taking service in accordance with the rates, if any, that apply to those facilities.

40.18 CRIS Retention, Expiration, Transfer and External CRIS

40.18.1 ERIS Election and future Evaluation for CRIS

Whenever an Interconnection Customer elects to interconnect taking ERIS only, that Interconnection Customer may, at any later date, ask the ISO to evaluate the Interconnection Customer's Facility for CRIS by applying in accordance with the requirements in this Attachment HH to include the Interconnection Customer's Facility in (1) the next Cluster Study Process and the Cluster Study Deliverability Study to be conducted for that Cluster Study; or (2) the next open Expedited Deliverability Study.

40.18.2 CRIS Rights

40.18.2.1 Retaining CRIS Status

Facilities awarded CRIS pursuant to this Attachment HH, as allocated among the facilities' individual units, as applicable, will retain such CRIS to the extent specified in Sections 40.18.2.2 and 40.18.2.3 of this Attachment HH, regardless of subsequent changes to the transmission system or the transfer of facility ownership. Facilities awarded CRIS pursuant to this Attachment HH that withdraw, or are deemed withdrawn by the ISO, from the ISO's Queue will not receive any CRIS awarded to the facility through that Queue Position.

40.18.2.2 Full CRIS Termination

Subject to the requirements set forth in Sections 40.18.2.2.1 through 40.18.2.2.2 and the subsections therein, CRIS will be terminated in full upon request by the facility owner or due to three continuous years of the facility being CRIS-inactive, except as provided in Sections 5.18.2.3.2, 5.18.3.3.2, and 5.18.5 of the ISO Services Tariff. The effective date of CRIS termination pursuant to this Section 40.18.2.2 will be the date the ISO has completed processing the termination request and provided notice of same to the requesting facility owner.

40.18.2.2.1 Voluntary termination. A facility that (a) is Retired or in a Mothball Outage or (b) is in an ICAP Ineligible Forced Outage, and has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the facility's deactivation, may elect to relinquish its CRIS, before that CRIS would otherwise expire under this Attachment HH, upon notification to the ISO by submitting its request in accordance with ISO Procedures. Relinquishment of CRIS under this Section 40.18.2.2.1 may only be in full (*i.e.*, the facility may not elect to relinquish only a portion of its CRIS).

40.18.2.2.2 Termination for CRIS-Inactive Facilities. CRIS will terminate in full after three continuous years of being CRIS-inactive, as defined in Section 40.18.2.2.2.1, except as provided in Sections 5.18.2.3.1, 5.18.2.3.2, and 5.18.5 of the ISO Services Tariff.

40.18.2.2.2.1 For the purpose of the rules in this Section 40.18.2.2.2, once a facility with CRIS has synchronized, it becomes CRIS-inactive on the last day of the month for which it fails to (i) offer any capacity into ISO capacity auctions, and/or (ii) certify any capacity as an Installed Capacity Supplier through a Bilateral Transaction(s) or Export of capacity to an External Control Area, except as provided in Sections 40.18.2.2.2.1.1 and 40.18.2.2.2.1.2 below.

40.18.2.2.2.1.1 A facility that has synchronized before February 29, 2020, and was not CRIS-inactive under the previously effective rules due to its activity as a load modifier, will be considered CRIS-inactive no earlier than February 29, 2020, based on its activity on and after that date.

40.18.2.2.2.1.2 A facility that has synchronized before February 29, 2020, but never offered capacity into ISO capacity auctions or certified capacity through a bilateral prior to February 29, 2020, will be considered CRIS-inactive no earlier than February 29, 2020, based on its activity on and after that date.

40.18.2.2.2.2 In the case of a CRIS-inactive facility, the facility's CRIS terminates three years after the facility becomes CRIS-inactive, except as provided in Sections 5.18.2.3.2, 5.18.3.3.2, and 5.18.5 of the ISO Services Tariff, unless the CRIS-inactive facility takes one of the following actions before the end of the three-year period: (1) returns to service and participates in an ISO capacity auction or bilateral transactions or (2) transfers CRIS to another facility as permitted by Sections 40.18.3 and 40.18.4 of this Attachment HH.

40.18.2.3 Partial CRIS Termination

40.18.2.3.1 For a facility other than a facility that has Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights (*i.e.*, Generators internal to the NYCA), CRIS utilization is the MW sum for a given month of the Installed Capacity Equivalent of UCAP: (1) offered into ISO capacity auctions; (2) certified through a Bilateral Transaction(s); and (3) exported to an External Control Area. If its CRIS utilization ratio (*i.e.*, ratio of the monthly CRIS utilization to its total applicable seasonal CRIS value) falls at or below 0.9 for every month for three consecutive years, measured on a forward rolling basis from July 3, 2023, the facility's CRIS will be reduced to the MW level of its existing CRIS values multiplied by the sum of (1) its maximum utilization ratio for any month within the prior three-year period and (2) 0.05, rounded to the nearest tenth of a MW. For purposes of calculating CRIS utilization pursuant to this Section 40.18.2.3.1, any months during which a facility is in a Mothball Outage

or ICAP Ineligible Forced Outage are excluded and not considered as part of the three-year period for determining CRIS utilization. If a facility returns to service from a Mothball Outage or an ICAP Ineligible Forced Outage, the three (3)-year period for determining CRIS utilization will not restart, but will resume from the point when the facility entered the Mothball Outage or the ICAP Ineligible Forced Outage. For example, if after two (2) consecutive years of a CRIS utilization ratio at or below 0.9, a facility enters an ICAP Ineligible Forced Outage, then the three-year period does not continue during the ICAP Ineligible Forced Outage but resumes the first month the facility is eligible to participate in the ICAP market as determined by Section 5.18.2.2 of the ISO Services Tariff.

40.18.2.3.2 For a facility with CRIS that has Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights ("UDR/EDR transmission facility"), if during the three years from the Synchronization Date of the UDR/EDR transmission facility the facility has not demonstrated, consistent with ISO Procedures, that it is capable of delivering MW of Energy to the NYCA interface equivalent to its MW of CRIS, its CRIS MW will be reduced to the maximum MW of Energy the UDR/EDR transmission facility has demonstrated it is capable of delivering to the NYCA interface pursuant to ISO Procedures of any month during this three-year period. For purposes of this Section 40.18.2.3.2, a UDR/EDR transmission facility is capable of delivering Energy to the NYCA interface if it demonstrates deliverability as required by ISO Procedures to be eligible to sell capacity for a particular month, in accordance with the requirements based on the Control Area where the External Installed Capacity Supplier is electrically located.

40.18.2.4 Term of External CRIS Rights

40.18.2.4.1 The initial term of External CRIS Rights, whether based on a Contract or Non-Contract Commitment, will be for an Award Period of no less than five (5) years.

40.18.2.4.2 An entity holding External CRIS Rights may renew those rights for one or more subsequent terms, as described below:

40.18.2.4.2.1 An entity holding External CRIS Rights based on a Contract Commitment may renew its External CRIS Rights, provided that the ISO receives from the entity a request to renew on or before the date specified in Section 40.18.2.4.2.3 indicating that the entity has renewed its bilateral contract to supply External Installed Capacity for an additional term of no less than five (5) years. If the entity does so, then that entity's External CRIS Rights will be renewed for the same additional term, without any further evaluation of the deliverability of the External Installed Capacity covered by the renewed bilateral contract.

40.18.2.4.2.2 An entity holding External CRIS Rights based on a Non-Contract Commitment may renew its External CRIS Rights, provided that the ISO receives from the entity a request to renew on or before the date specified in Section 40.18.2.4.2.3. Any Non-Contract Commitment renewal must be for an additional term of no less than five (5) years. If the entity does so, then that entity's External CRIS Rights will be renewed for the same additional term, without any further evaluation of the deliverability of the External Installed Capacity associated with the Non-Contract Commitment.

40.18.2.4.2.3 Requests for renewal of External CRIS Rights must comply with ISO Procedures and be received by the ISO on or before a date defined by the earlier

of: (i) six months prior to the expiration date of the Contract or Non-Contract Commitment, or (ii) one month prior to the closing of the Application Window that is prior to the start of the last Summer Capability Period within the current Award Period or renewal of an Award Period.

40.18.2.4.3 External CRIS Rights will terminate at the end of the effective Award Period or renewal of an Award Period if those rights have not been renewed for an additional term, pursuant to the process described above.

40.18.2.5 CRIS for Facilities Pre-Dating Class Year 2007

40.18.2.5.1 For facilities pre-dating Class Year 2007, *i.e.*, facilities interconnected or completely studied for interconnection before the projects in Class Year 2007, the facility shall qualify for CRIS service so long as (i) it is not retired (*e.g.*, identified as retired in a NYISO Load and Capacity Data Report prior to October 5, 2008, (ii) its interconnection agreement is not terminated, and (iii) the facility begins commercial operations within three years of the Commercial Operation Date or comparable commencement date specified in its initial interconnection agreement filing.

40.18.2.5.2 A Generator or merchant transmission facility pre-dating Class Year 2007 without an interconnection agreement on October 5, 2008, or one with an initial interconnection agreement filing that does not specify a Commercial Operation Date or any comparable commencement date, shall qualify for CRIS so long as it is not retired (*e.g.*, identified as retired in a NYISO Load and Capacity Data Report) prior to October 5, 2008 and it begins Commercial Operation within three (3) years of its in-service date specified in the 2008 NYISO Load and Capacity Data Report.

40.18.2.5.3 For Generators pre-dating Class Year 2007, the CRIS capacity level will be set at the maximum DMNC level achieved during the five most recent Summer Capability Periods prior to October 5, 2008, even if that DMNC value exceeds nameplate MW.

40.18.2.5.4 For a Generator pre-dating Class Year 2007 and not having DMNC levels recorded for five Summer Capability Periods prior to October 5, 2008, its CRIS capacity level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer Capability Periods until it has DMNC levels recorded for five Summer Capability Periods. Prior to the establishment of the Generator's first DMNC value for a Summer Capability Period, the Generator's CRIS level will be set at nameplate MW.

40.18.2.5.5 The CRIS capacity level for intermittent resources pre-dating Class Year 2007 will be set at nameplate MW, and the CRIS capacity level for controllable lines pre-dating Class Year 2007 will be set at the MW of Unforced Capacity Deliverability Rights awarded to them.

40.18.2.5.6 Existing Generators that are eligible for CRIS under this Section 40.18.2.5 that wish to obtain CRIS pursuant to this provision must request CRIS within 60 days of May 19, 2016; CRIS cannot be obtained under this Section 40.18.2.5 if not requested by such date.

40.18.2.6 CRIS for Facilities Not Subject to ISO Interconnection Procedures

All facilities that wish to become eligible to participate as Installed Capacity Suppliers pursuant to the requirements of Section 5.12 of the ISO Services Tariff, must have CRIS, even if the facility is not or was not, when interconnected, subject to the ISO's interconnection procedures.

Facilities not subject to the ISO's interconnection procedures may obtain CRIS rights by (i) entering a Class Year Deliverability Study, Cluster Study Deliverability Study or Expedited

Deliverability Study and satisfying the NYISO Deliverability Interconnection Standard or (ii) satisfying the requirements set forth in Section 40.18.2.6.1. For a facility subject to this Section 40.18.2.6 that has obtained CRIS on or before February 29, 2020, its CRIS will terminate four (4) years after February 29, 2020, if the Interconnection Customer has failed to provide notice to the ISO that the facility has synchronized. For a facility subject to this Section 40.18.2.6 that obtains CRIS after February 29, 2020, its CRIS will terminate four (4) years after the facility obtains CRIS, if the Interconnection Customer fails to provide notice to the ISO that the facility has synchronized.

40.18.2.6.1 A facility not subject to the ISO's interconnection procedures set forth in the then-applicable Attachments X and Z to the ISO OATT was eligible to obtain CRIS without being evaluated under the NYISO Deliverability Interconnection Standard if it met the following requirements (i) if the facility had not commenced Commercial Operation, it must have completed all required interconnection studies and have had an effective interconnection agreement by May 19, 2016, (ii) if the facility had commenced Commercial Operation by May 19, 2016, it must have had an effective interconnection agreement and must not have been out-of-service for more than three (3) consecutive years; (iii) if the facility was not, when first interconnected, subject to the ISO's then-applicable interconnection procedures set forth in Attachments X and Z to the ISO OATT, and (iv) the facility owner must have requested CRIS within sixty (60) days of May 19, 2016. The CRIS level for a facility that qualified for CRIS under this Section 40.18.2.6.1 was set in accordance with Section 40.18.2.6.1.1 and 40.18.2.6.1.2.

40.18.2.6.1.1 BTM:NG Resource

A BTM:NG Resource's initial CRIS level will be set at its Net-ICAP level. The CRIS level will be set, and reset if necessary, at the maximum Net-ICAP level achieved during successive Summer Capability Periods until the facility has Net-ICAP levels recorded for five Summer Capability Periods. The five-year CRIS set and reset period begins with the first Summer Capability Period, following receipt of an initial CRIS value, for which the BTM:NG Resource's Net-ICAP calculation incorporates a demonstrated Average Coincident Host Load. The final CRIS level will be the highest Net-ICAP recorded for the Summer Capability Period during the five-year set and reset period, excluding the initial CRIS level.

The five-year CRIS set and reset period will terminate early, before five Net-ICAP values have been recorded if any of the following conditions occurs: (i) the BTM:NG Resource ceases to qualify as a BTM:NG Resource pursuant to Section 5.12.1 of the ISO Services Tariff; (ii) the BTM:NG Resource elects to participate as another type of Installed Capacity Supplier, other than as a BTM:NG Resource; or (iii) the BTM:NG Resource's Net ICAP is equal to or less than zero for a Capability Period. Upon an early termination of the five-year CRIS set and reset period, the final CRIS value will be determined based on the available data from the CRIS set and reset period up to the point of early termination – *i.e.*, the highest Net-ICAP value recorded during the CRIS set and reset period prior to the point of early termination.

40.18.2.6.1.2 Facilities Other than BTM:NG Resources

Prior to the establishment of the Generator's first DMNC value for a Summer Capability Period, the Generator's CRIS level will be set at nameplate MW. The CRIS level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer

Capability Periods until the facility has DMNC levels recorded for five Summer Capability Periods.

40.18.2.7 CRIS for BTM:NG Resources

40.18.2.7.1 If meter data is available for both the Load and the Generator, the initial CRIS that can be requested is limited to the demonstrated Net-ICAP. If meter data is not available for either the Load or the Generator of the BTM:NG Resource, the initial CRIS that can be requested is limited to the Net-ICAP calculation set forth in Section 5.12.1 of the ISO Services Tariff. The initial CRIS level will set at the CRIS MW level: (i) evaluated in, as applicable, the Cluster Study Deliverability Study and (ii) either found to be deliverable or for which the Interconnection Customer accepted its Project Cost Allocation and posted Security for any required System Deliverability Upgrades.

40.18.2.7.2 The CRIS level will be set, and reset if necessary, at the maximum DMNC level achieved during successive Summer Capability Periods, not to exceed the initial CRIS level, until the facility has DMNC levels recorded for five Summer Capability Periods – *i.e.*, the initial CRIS level will act as a cap through the set and reset period and for the final CRIS level. The final CRIS level will be the highest Net-ICAP recorded for the Summer Capability Period during the five-year set and reset period, excluding the initial CRIS level.

40.18.2.7.3 The five-year CRIS set and reset period will terminate early, before five Net-ICAP values have been recorded if any of the following conditions occurs: (i) the BTM:NG Resource ceases to qualify as a BTM:NG Resource pursuant to Section 5.12.1 of the Services Tariff; (ii) the BTM:NG Resource elects to participate as another type of Installed Capacity Supplier, other than as a BTM:NG Resource; or (iii) the BTM:NG Resource's Net ICAP is equal to or less than zero for a Capability Period. Upon an early termination of the five-year CRIS set

and reset period, the final CRIS value will be determined based on the available data from the CRIS set and reset period up to the point of early termination – *i.e.,* the highest Net ICAP value recorded during the CRIS set and reset period prior to the point of early termination.

40.18.3 Transfer of Deliverability Rights - Same Location

40.18.3.1 A facility with CRIS ("transferor facility") may, on or after its Synchronization Date, transfer some or all of its CRIS to a facility at the same electrical location ("transferee facility"), provided that (1) the transferee facility must be operational before the CRIS of the transferor facility terminates pursuant to Section 40.18.2 of this Attachment HH; and (2) the transferor facility, if it is Retired, in a Mothball Outage or is in an ICAP Ineligible Forced Outage, has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the Facility's deactivation. For purposes of this Section 40.18.3, "same electrical location" means that the facilities are interconnecting to the same transmission bus at the same kV level. The transferee facility, if it has not already synchronized (*i.e.*, reached its Synchronization Date), will only acquire the transferred CRIS once transferee facility has synchronized (*i.e.*, reached its Synchronization Date). CRIS is stated in MW of Installed Capacity. In the case of transfers between the same or different resource types, those MW of Installed Capacity will be adjusted by the derate factor applicable to the transferor facility (based on the asset-class derate factors used in the most recent Class Year Deliverability Study or Cluster Study Deliverability Study) before the transfer and, following the transfer, will be readjusted to MW of Installed Capacity in accordance with the derate factor applicable to the transferee facility (based on the asset-class derate factors used in the most recent Class Year Deliverability Study or Cluster Study Deliverability Study). In the case of a

Distributed Energy Resource (DER), CRIS rights are requested and awarded at the DER level, not at the individual asset level or at the Aggregation level, and therefore, may only be transferred at the DER level under this Section 40.18.3.

40.18.3.2 For purposes of calculating the period of time a facility is CRIS inactive pursuant to Section 40.18.2.2.2 of this Attachment HH, the period of time the facility is CRIS inactive prior to the transfer does not impart to the transferee facility (*i.e.*, if the transferor facility had been CRIS inactive for two years prior to the transfer, that two years does not transfer with the transferred CRIS. The transferee's CRIS is reset for purposes of Section 40.18.2.2.2).

40.18.3.3 If the transferor facility remains active (*i.e.*, as ERIS-only or with less than its original MW level of CRIS), it must submit a transfer notification form to the ISO in accordance with ISO Procedures before August 1 for the requested transfer to become effective at the later of the start of the next Capability Year (*i.e.*, May 1) or the Synchronization Date of the transferee facility. If transferee facility does not reach its Synchronization Date before the end of the next Capability Year (*i.e.*, April 30), the transfer will not be effective, and the CRIS will remain with the transferor. A transferor facility that does not satisfy the above requirements must deactivate prior to transferring its CRIS.

40.18.3.4 If the transferor facility is located in a Mitigated Capacity Zone, it may obtain a final physical withholding determination pursuant to Section 23.4.5.6.5 of the MST. If the transferee facility is located in a Mitigated Capacity Zone and is not an Excluded Facility, pursuant to Section 23.2 of the MST, the transferee facility must, pursuant to Section 23.4.5.7 of the MST, obtain a Buyer-Side Mitigation determination for the transfer to become effective as soon as the start of the next capability month after the date upon which the last of the following

occurs: the transferee obtains a Buyer-side Mitigation determination, if applicable; the transferor obtains a physical withholding determination, if applicable; and the facility meets all other applicable requirements in this Section 40.18.3; *provided however,* that if the same-location CRIS transferor elects to remain active (*i.e.,* as ERIS-only or with less than its original MW level of CRIS), such Buyer-Side Mitigation determination must be obtained before August 1 of the current Capability Year for the transfer to become effective at the later of the start of the next Capability Year (*i.e.,* May 1) or the Synchronization Date of the transferee facility.

40.18.4 Transfer of Deliverability Rights - Different Locations

CRIS may also be transferred on a bilateral basis between an existing facility within the NYCA ("transferor facility") and a new facility at a different location within the NYCA ("transferee facility") to the extent that the transferee facility is found to be deliverable with the transferred. The transferee facility may contract with an existing facility with CRIS to transfer some or all of the existing facility's CRIS. The transferee facility will be allowed to acquire these rights if it meets the requirements set forth below:

40.18.4.1 The transferee must submit an Interconnection Request or CRIS-Only Request in a Cluster Study. CRIS will be stated in MW of Installed Capacity. In the case of transfers between different resource types, those MW of Installed Capacity will be adjusted by the derate factor applicable to the existing facility before the transfer and, following the transfer, will be readjusted to MW of Installed Capacity in accordance with the derate factor applicable to the new project. All derate factors will be based on the asset-class derate factors in the current Cluster Study Deliverability Study.

40.18.4.1.1 The ISO will evaluate the deliverability of the Cluster Study Projects together, with no transfers, to determine the extent to which transferee facilities in the Cluster for that Cluster Study are deliverable without the proposed transfers.

40.18.4.1.2 The ISO will then reduce the output of all transferor facilities to see if the new facility counterparties benefit, *i.e.*, their undeliverable capacity is made deliverable, from the proposed transfers; *provided, however*, the transferor facilities will be reduced only to the extent that their reduction does not adversely impact the deliverability of Cluster Study Projects that are not parties to the proposed transactions.

40.18.4.1.3 If the deliverability test conducted by the ISO shows that the transferee facilities in the Cluster for that Cluster Study are fully or partially deliverable with these reductions of the established facility counterparties, then the transferee facilities will be given five business days to notify the ISO as to whether transfer transaction is final or not. If any proposed transactions are not finalized, then Sections 40.18.4.1.1 and 40.18.4.1.2 will be repeated until all proposed transactions have been terminated or finalized.

40.18.4.2 For each finalized transaction, the transferor facility will be modeled in the Cluster Study at its reduced output level (current level less CRIS finally transferred adjusted by the applicable derate factors). The Deliverability of Cluster Study Projects not parties to finalized transactions may benefit, but will not be adversely affected, by those transactions.

40.18.4.3 The transferor facility will be restricted in future capacity sales up to levels consistent with the CRIS rights that were transferred to the new project counterparty.

40.18.4.4 The transferee facility will only acquire the transferred CRIS once the transferee facilities becomes operational at the levels necessary to utilize those rights, provided that (1) the transferee facility must be operational before the CRIS of the transferor facility terminates pursuant to Section 40.18.2 of this Attachment HH; and (2) the transferor facility, if it is Retired, in a Mothball Outage or is in an ICAP Ineligible Forced Outage, has been assessed in a STAR or a Generator Deactivation Assessment where the ISO, in coordination with the Responsible Transmission Owner(s), determined that a Generator Deactivation Reliability Need will not result from the Facility's deactivation.

If the transferor facility is located in a Mitigated Capacity Zone, it may be subject to a final physical withholding determination pursuant to Section 23.4.5.6.1 of the ISO Services Tariff. If the transferee facility is located in a Mitigated Capacity Zone and is not an Excluded Facility, pursuant to Section 23.2 of the ISO Services Tariff, the transferee facility must, pursuant to Section 23.4.5.7 of the ISO Services Tariff, obtain a Buyer-Side Mitigation determination. Transfers may become effective as soon as the start of the next capability month after the date upon which the last of the following occurs: the transferee obtains a Buyer-Side Mitigation determination, if applicable the transfer is found deliverable as described above in Sections 40.18.4.1.1, 40.18.4.1.2 and

40.18.4.1.3, and the facility meets all other applicable requirements in Sections 40.18.4.1 and 40.18.4.1.3.

For purposes of calculating the period of time a facility is CRIS inactive pursuant to Section 40.18.2.2.2 of this Attachment HH, the period of time the facility is CRIS inactive prior to the transfer does not impart to the transferee facility (*i.e.*, if the transferor facility had been CRIS inactive for two years prior to the transfer, that two years does not transfer with the transferred CRIS. The transferee's CRIS is reset for purposes of Section 40.18.2.2.2).

40.18.5 Transfer of External CRIS Rights

A holder of External CRIS Rights may transfer some or all of the Contract or Non-Contract CRIS MW that it holds to another entity, provided that the following requirements are met:

40.18.5.1 The entity to receive the External CRIS Rights must, prior to the transfer, make either (i) a Contract Commitment of External Installed Capacity satisfying the requirements of Section 40.13.11.1.1 of this Attachment HH, or (ii) a Non-Contract Commitment of External Installed Capacity satisfying the requirements of Section 40.13.11.1.2 of this Attachment HH; and

40.18.5.2 The External Installed Capacity of the entity to receive the External CRIS Rights must use the same External Interface(s) used by the External Installed Capacity of the entity currently holding the External CRIS Rights; and

40.18.5.3 The transfer must be for the remaining duration of the Award Period or renewal of an Award Period currently effective for the External CRIS Rights to be transferred; and

40.18.5.4 If the holder of External CRIS Rights transfers some, but not all of its CRIS MW, the number of CRIS MW transferred must be such that, following the transfer, both the holder and the entity receiving External CRIS Rights satisfy the applicable requirements of Section 40.13.11.1.1 and 40.13.11.1.2 of this Attachment HH; and

40.18.5.5 The transfer must take place on or before the earlier of:

40.18.5.5.1 Six months prior to the expiration date of the Contract or Non-Contract Commitment of the entity currently holding the External CRIS Rights to be transferred; or

40.18.5.5.2 One month prior to the closing of the Application Window that is prior to the start of the last Summer Capability Period within the current Award Period or renewal of an Award Period.

40.19 Expedited Deliverability Study Procedures

40.19.1 Study Start Date

After the completion of the initial Expedited Deliverability Study, each Expedited Deliverability Study will begin the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study; *provided, however*, that an Expedited Deliverability Study may not commence during the period between the posting of, as applicable, the draft Class Year Study or Phase 2 Cluster Study report for Operating Committee approval and commencement of the next Phase 1 Study. If the first Business Day after thirty (30) Calendar Days following the completion of the prior Expedited Deliverability Study falls on a date within the above-described Class Year or Cluster Study decision and settlement period, the Expedited Deliverability Study will begin on the first Business Day after ten (10) Calendar Days following the Cluster Study Process Start Date that immediately follows the above-described Class Year or Cluster Study decision and settlement period. The ISO will provide notice of the Expedited Deliverability Study start date by (1) sending notice of the start date to those registered through the ISO to be on the distribution lists for the NYISO Operating Committee and its subcommittees; and (2) posting notice of the Expedited Deliverability Study start date.

40.19.2 Study Entry Requirements and Schedule

In order to become eligible to enter an Expedited Deliverability Study, an Interconnection Customer must (1) elect to enter the Expedited Deliverability Study by providing notice to the ISO by the Expedited Deliverability Study start date; (2) must have satisfied the data submission requirements set forth in Section 23.4.5.7.3.6 of the ISO Services Tariff required for Cluster Study Projects requesting CRIS in a Mitigated Capacity Zone and have such data submission deemed complete by the ISO by the Expedited Deliverability Study start date; and (3) must be in service or have completed one of the following, as applicable: a Class Year Study or Cluster

Study for ERIS, a completed facilities study for Small Generating Facilities processed under the Small Generator Interconnection Procedures pursuant to Section 40.3.1, or a utility interconnection study if the facility is not subject to the ISO interconnection procedures under Attachment HH. As set forth in Section 40.13.1, a Project may not be evaluated in both the Cluster Study Process and an Expedited Deliverability Study simultaneously (i.e., an Interconnection Customer with CRIS being evaluated in a Cluster Study Process may not enter an Expedited Deliverability Study for evaluation of the same CRIS request until the Cluster Study has completed. An Interconnection Customer with CRIS being evaluated in an Expedited Deliverability Study may not enter a Cluster Study Process for evaluation of the same CRIS request until the Expedited Deliverability Study has completed).

A Project that satisfies the eligibility requirements for an Expedited Deliverability Study will become a member of the Expedited Deliverability Study if it satisfies the requirements of Section 40.19.3 of this Attachment HH as it relates to completion of an Expedited Deliverability Study Agreement, submission of the required deposit, and submission of required technical data.

All parties engaged in performing study work as part of the Expedited Deliverability Study are required to use Reasonable Efforts to complete the basic required evaluations in order for the Expedited Deliverability Study to be presented to the NYISO Operating Committee for approval within four (4) months from the date that the ISO confirms receipt of all of the following for all members of the Expedited Deliverability Study: (1) the executed Expedited Deliverability Study Agreement; (2) the $30,000 Expedited Deliverability Study deposit required by Section 40.19.3 of this Attachment HH; and (3) the technical data required by Section 40.19.3 of this Attachment HH.

40.19.3 Expedited Deliverability Study Agreement and Invoicing of Study Costs

40.19.3.1 As soon as practicable after an Interconnection Customer has notified the ISO of its request to enter the next Expedited Deliverability Study, the ISO shall tender an Expedited Deliverability Study Agreement in the form of Appendix 8 to this Attachment HH. When the ISO tenders an Expedited Deliverability Study Agreement to an Interconnection Customer, the ISO shall, at the same time, also provide one to the applicable Connecting Transmission Owner. The Expedited Deliverability Study Agreement shall provide that the Interconnection Customer shall compensate the ISO for the actual cost of the Expedited Deliverability Study. When the ISO tenders the Expedited Deliverability Study Agreement to the requesting Interconnection Customer, the ISO shall provide to the Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Expedited Deliverability Study.

40.19.3.2 Within ten (10) Business Days after the ISO tenders the Expedited Deliverability Study Agreement, the Interconnection Customer shall complete the Expedited Deliverability Study Agreement and deliver the completed agreement to the ISO. Interconnection Customer shall indicate, in the data form attached to the Expedited Deliverability Study Agreement, the MW level of requested CRIS up to the levels permitted by Section 40.5.6.5 of this Attachment HH. Interconnection Customer shall, with the completed Expedited Deliverability Study Agreement, deliver to the ISO (1) the required technical data and (2) a study deposit of $30,000 in accordance with the requirements in Section 40.2.4.

40.19.3.3 The Interconnection Customer, ISO and Connecting Transmission Owner shall execute the Expedited Deliverability Study Agreement no later than ten (10) Calendar Days after the ISO confirms receipt of the completed Expedited Deliverability Study Agreement, the required technical data, and the required deposit from the Interconnection Customer. The ISO

shall provide a copy of the fully executed Expedited Deliverability Study Agreement to the Interconnection Customer and Connecting Transmission Owner.

40.19.3.4 The ISO shall invoice the Interconnection Customer in accordance with the requirements in Section 40.24.3.

40.19.4 No Prioritization of Projects in an Expedited Deliverability Study

There will be no prioritization of the Projects grouped and studied together in an Expedited Deliverability Study. Each Project in an Expedited Deliverability Study will, with other Projects in the same Expedited Deliverability Study, share in the then currently available functional or electrical capability of the transmission system in accordance with the rules set forth herein. For purposes of this Section 40.19.4, the "then currently available functional or electrical capability of the transmission system" is the functional or electrical capability of the transmission system currently available in the applicable base case.

40.19.5 Expedited Deliverability Study Procedures

The ISO shall perform the Expedited Deliverability Study in accordance with the requirements for an Expedited Deliverability Study in Section 40.13 of this Attachment HH. The ISO shall coordinate the Expedited Deliverability Study and shall utilize existing studies to the extent practicable in performing the Expedited Deliverability Study. The ISO may request additional information from the Interconnection Customer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Expedited Deliverability Study. Upon request from the ISO for additional information required for or related to the Expedited Deliverability Study, the Interconnection Customer and Connecting Transmission Owner shall provide such additional information in a prompt manner.

Within ten (10) Business Days of providing a draft Expedited Deliverability Study report to an Interconnection Customer, the ISO, Connecting Transmission Owner, and Affected System Operator(s) shall meet with the Interconnection Customer to discuss the results of the Expedited Deliverability Study.

The ISO shall use Reasonable Efforts to complete the study and present the Expedited Deliverability Study report to the Operating Committee within the timeframe set forth in Section 40.19.2 of this Attachment HH; *provided, however*, an Expedited Deliverability Study report shall not proceed to the Operating Committee between Operating Committee approval of a Class Year Study or Phase 2 Study and commencement of the next Phase 1 Study. An Expedited Deliverability Study may not proceed to the Operating Committee until after ten (10) Calendar Days following the completion of the Class Year Study or Phase 2 Study. After Operating Committee approval of the Expedited Deliverability Study report, the Interconnection Customer will be subject to the decision process set forth in Section 25.5.9.2.4.

Before Operating Committee approval of the Expedited Deliverability Study, if the pending Class Year Study or Cluster Study proceeds to the final decision and settlement period and a Class Year Project or Cluster Study Project accepts or rejects a Project Cost Allocation that the ISO determines may impact the deliverability of a Project in the Expedited Deliverability Study, the assumptions used in the Expedited Deliverability Study will be updated before the commencement of the next Phase 1 Study.

At the request of an Interconnection Customer subject to an Expedited Deliverability Study, or at any time the ISO determines that it will not meet the required timeframe for completing the Expedited Deliverability Study, the ISO shall notify the Interconnection Customer as to the schedule status of the Expedited Deliverability Study. If the ISO is unable to

complete the Expedited Deliverability Study within the initial schedule, it shall notify the Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Upon request, the ISO shall provide the Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Expedited Deliverability Study, subject to non-disclosure arrangements consistent with Section 40.24.1.

40.19.6 Expedited Deliverability Study Decision Process

Within 5 Business Days following approval of the Expedited Deliverability Study by the Operating Committee (such 5 Business Day period to be referred to as the "Expedited Deliverability Study Initial Decision Period"), each Interconnection Customer in the Expedited Deliverability Study shall provide notice to the ISO, in writing via electronic mail, stating whether it shall accept (an "Expedited Deliverability Study Acceptance Notice") or not accept (an "Expedited Deliverability Study Non-Acceptance Notice") the Deliverable MW, if any, reported to it by the ISO in the Expedited Deliverability Study report. Failure to notify the ISO by the prescribed deadline as to whether an Interconnection Customer accepts or rejects its Deliverable MW, if any, will be deemed an Expedited Deliverability Study Non-Acceptance Notice. As soon as practicable following the end of the Expedited Deliverability Study Initial Decision Period, the ISO shall report to all Cluster Study Projects, in writing via electronic mail, all of the decisions submitted by Interconnection Customers in the Expedited Deliverability Study.

At the end of the Expedited Deliverability Study Initial Decision Period, if one or more of the Interconnection Customers provides an Expedited Deliverability Study Non-Acceptance Notice (such event an "Expedited Deliverability Study Non-Acceptance Event"), the

Interconnection Customer that provided the Expedited Deliverability Study Non-Acceptance Notice will be removed from the then current Expedited Deliverability Study and the ISO shall update the Expedited Deliverability Study results for those remaining Interconnection Customers in the Expedited Deliverability Study to reflect the impact of the Projects withdrawn from the Expedited Deliverability Study. The revised Expedited Deliverability Study report shall include updated Deliverable MW, if any, and shall be issued within 10 Business Days following the occurrence of an Expedited Deliverability Study Non-Acceptance Event. Each remaining Interconnection Customer shall be deemed to have accepted its respective Deliverable MW identified in the revised Expedited Deliverability Study report.

40.20 Engineering & Procurement ("E&P") Agreement

Prior to executing a Standard Interconnection Agreement, an Interconnection Customer may, in order to advance the implementation of its interconnection request, and Connecting Transmission Owner shall offer the Interconnection Customer, 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 Interconnection Customer is in Dispute Resolution as a result of an allegation that the Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of these Standard Interconnection Procedures. The E&P Agreement is an optional procedure, and it will not alter the Interconnection Customer's Queue Position or Initial Backfeed Date. The E&P 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, in accordance with Attachment HH 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 Interconnection Customer withdraws its Interconnection Request or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, the Interconnection Customer 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 Interconnection Customer any amounts paid by the Interconnection Customer for such

equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event the Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

40.21 Standard Interconnection Agreement (IA)/ Standard Upgrade Construction Agreement/ Standard Multiparty Upgrade Construction Agreement

40.21.1 Tender

40.21.1.1 Except as set forth in Section 40.21.4, as soon as practicable upon (i) completion of the decision process in, as applicable, the Final Decision Period, Additional SDU Study Decision Period, or Affected System Study and (ii) Interconnection Customer's satisfaction of the cost allocation and Security posting requirements described in, as applicable, Section 40.8.3.10 or 40.15, the ISO shall tender, as applicable:

(i) a draft Standard Interconnection Agreement to the Interconnection Customer and Connecting Transmission Owner in the form of the ISO's Commission-approved Standard Interconnection Agreement, which is in Appendix 15 to this Attachment HH, together with draft appendices completed to the extent practicable;

(ii) a draft Standard Upgrade Construction Agreement to an Interconnection Customer and an Affected System Operator or Affected Transmission Owner for the engineering, procurement, and construction of System Upgrade Facilities or System Deliverability Upgrades identified on an Affected System in connection with either the evaluation of an Interconnection Customer's Interconnection Request or CRIS-Only Request in the Cluster Study Process or the results of an Affected System Study for an Affected System Interconnection Customer; the draft agreement will be in the form of the ISO's Commission-approved Standard Upgrade Construction Agreement, which is in Appendix 16 to this Attachment HH, together with draft appendices completed to the extent practicable; and/or

(iii) a draft Standard Multiparty Upgrade Construction Agreement to two or more Interconnection Customers and an Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner for the engineering, procurement, and construction of System

Upgrade Facilities or System Deliverability Upgrades identified on an Affected System or Connecting Transmission Owner's system in connection with either the evaluation of two or more Interconnection Customers' Interconnection Request(s) or CRIS-Only Request(s) in the Cluster Study Process or the results of an Affected System Study for two or more Affected System Interconnection Customers; the draft agreement will be in the form of the ISO's Commission-approved Standard Multiparty Upgrade Construction Agreement, which is in Appendix 17 to this Attachment HH, together with draft appendices completed to the extent practicable.

40.21.2 Negotiation

The ISO, the Interconnection Customer(s), and, as applicable, the Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner shall finalize the appendices and negotiate concerning any disputed provisions of the draft Standard Interconnection Agreement, Standard Upgrade Construction Agreement, or Standard Multiparty Upgrade Construction Agreement and its appendices subject to the time limitation specified below in this Section 40.21.2. If the Interconnection Customer (or the Interconnection Customers acting jointly in the case of a Standard Multiparty Upgrade Construction Agreement) determines that negotiations of the applicable agreement are at an impasse, it may request termination of the negotiations at any time after tender of the draft agreement pursuant to Section 40.21.1 and request submission of the unexecuted agreement to FERC or initiate Dispute Resolution procedures pursuant to Section 40.24.5. If the Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted agreement or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request or CRIS-Only Request. Unless otherwise agreed by

the Parties, if the Interconnection Customer has not executed the agreement, requested filing of an unexecuted agreement, or initiated Dispute Resolution procedures pursuant to Section 40.24.5 within one hundred eighty (180) days of tender of the draft agreement, it shall be deemed to have withdrawn its Interconnection Request or CRIS-Only Request.

40.21.2.1 Delay in Standard Interconnection Agreement Execution, or Filing Unexecuted, to Await Affected System Study Report from External Affected System

If Interconnection Customer has not received its Affected System Study Report from the External Affected System Operator prior to the date that it would be required to execute its Standard Interconnection Agreement (or request that its Standard Interconnection Agreement be filed unexecuted) pursuant to Section 40.21.2, the ISO shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying the Standard Interconnection Agreement execution or requesting unexecuted filing to await the Affected System Study Report, decides to proceed to the Standard Interconnection Agreement execution, or requests unexecuted filing, without those results, it may notify ISO of its intent to proceed with Standard Interconnection Agreement execution (or request that its Standard Interconnection Agreement be filed unexecuted) pursuant to Section 40.21.3. If the ISO determines that further delay to the Standard Interconnection Agreement execution date would cause a material impact on the cost or timing of an equal- or lower-queued Interconnection Customer, the ISO must notify Interconnection Customer of such impacts and set the deadline to execute the Standard Interconnection Agreement (or

request that the Standard Interconnection Agreement be filed unexecuted) to thirty (30) Calendar Days after such notice is provided.

40.21.2.2 Identification of Contingent Facilities

The ISO shall identify Contingent Facilities through the Cluster Study, and specify such Contingent Facilities in the Standard Interconnection Agreement. The method for identifying Contingent Facilities shall be sufficiently transparent as to why the ISO identifies Contingent Facilities and how they relate to the Cluster Study Project. Consistent with the analyses performed in the Cluster Study under Section 40.12, the ISO shall evaluate the impact on short circuit, thermal, voltage, or stability of unbuilt Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades associated with Cluster Study Projects. The ISO shall identify those unbuilt facilities in the Cluster Baseline Assessment and the Cluster Project Assessment against which the Cluster Study Project is evaluated as Contingent Facilities if the impact on short circuit, thermal, voltage, or stability of the unbuilt facilities exceeds the de minimis standards set forth in Sections 40.12.2.5.1.1 through 40.12.2.5.1.4. An Interconnection Customer may also request the ISO to provide the estimated costs and estimated in-service completion time of each identified Contingent Facility when this information is readily available and not commercially sensitive.

40.21.3 Execution and Filing

The ISO will not tender the execution version or file an unexecuted version of the IA until it has confirmed receipt of the following (unless the grounds for the unexecuted filing is one of the requirements in this Section 40.21.3):

(i) Interconnection Customer's demonstration of continued Site Control pursuant to Section 40.5.5.1.5; and

(ii) Interconnection Customer has provided the ISO and Connecting Transmission Owner with reasonable evidence that one or more of the following milestones in the development of the Facility, at the Interconnection Customer's election, has been achieved (unless such milestone is inapplicable due to characteristics of the Facility): (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; or (e) application for an air, water, or land use permit. The Interconnection Customer(s) shall either: (i) execute originals of the tendered execution version of the agreement, which number will be based on the number of parties to the agreement, and return them to the ISO and, as applicable, Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner; or (ii) request in writing that the ISO and, as applicable, Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner file with FERC the applicable agreement in unexecuted form.

As soon as practicable, but not later than ten (10) Business Days after receiving either the executed originals of the tendered agreement from the other parties (if the agreement does not conform with a Commission-approved standard form of the agreement agreement) or the request to file the agreement unexecuted, the ISO and, if applicable, the Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner shall file the agreement with FERC. The ISO will draft the portions of the agreement and appendices that are in dispute

and assume the burden of justifying any departure from the pro forma agreement and appendices. The ISO will provide its explanation of any matters as to which the Parties disagree and support for the costs that, as applicable, the Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner proposes to charge to the Interconnection Customer(s) under the agreement. An unexecuted agreement should contain terms and conditions deemed appropriate by the ISO for the Interconnection Request or CRIS-Only Request. The Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner, as applicable, 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 the design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted agreement, they may proceed pending Commission action.

40.21.4 Negotiation and Execution of Standard Interconnection Agreement Prior to Completion of the Cluster Study

At the request of the Interconnection Customer, the ISO and Connecting Transmission Owner shall begin negotiations with the Interconnection Customer concerning the Standard Interconnection Agreement and its appendices at any time after the Interconnection Customer satisfies the requirements to enter the Phase 2 Study. If the Standard Interconnection Agreement is executed prior to the completion of the Cluster Study Process, the Interconnection Customer must agree, in the Standard Interconnection Agreement, that in, as applicable, the Final Decision Period or Additional SDU Study Decision Period for that Cluster Study, it will accept the Project Cost Allocation and post Security for any Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, or System Upgrade Facilities that are identified and cost allocated in the Cluster Study even if such Project Cost Allocations exceed the estimates

included in the Standard Interconnection Agreement and include equipment not identified in the Standard Interconnection Agreement.

The Interconnection Customer executing a Standard Interconnection Agreement prior to the completion of a Cluster Study cannot participate as an Installed Capacity Supplier until after the Cluster Study is completed and (1) the project is deemed deliverable and accepts its Deliverable MW; or (2) the Interconnection Customer accepts its Project Cost Allocation and pays cash or posts Security for any required System Deliverability Upgrades, unless CRIS was otherwise obtained under this Attachment HH.

To the extent that upgrades or cost estimates in the Cluster Study differ from the amounts or descriptions in the Standard Interconnection Agreement, the Interconnection Customer shall work with the ISO and Connecting Transmission Owner to promptly amend the agreement as needed to incorporate the updated amounts or descriptions.

For purposes of this Section 40.21.4, a Standard Interconnection Agreement includes a Provisional Standard Interconnection Agreement and its appendices requested pursuant to Section 40.22.3 of this Attachment HH.

40.21.5 Commencement of Interconnection Activities

If the Parties execute the Standard Interconnection Agreement, Standard Upgrade Construction Agreement, or Standard Multiparty Upgrade Construction Agreement, the ISO, the Interconnection Customer(s), and, as applicable, the Connecting Transmission Owner, Affected System Operator, or Affected Transmission Owner shall perform their respective obligations in accordance with the terms of the agreement, subject to modification by FERC. Upon submission of an unexecuted agreement in accordance with Section 40.21.3, the Parties shall promptly comply with the unexecuted agreement, subject to modification by FERC.

40.21.6 Termination of the Standard Interconnection Agreement

The classification of a Facility as Retired or a Class Year Transmission Project or Cluster Study Transmission Project permanently ceasing Commercial Operation will be grounds for the termination of its interconnection agreement. The ISO will file with the Federal Energy Regulatory Commission a notice of termination of the interconnection agreement as soon as practicable after the Large Generating Facility is Retired or the Class Year Transmission Project or Cluster Study Transmission Project permanently ceases commercial operation. The termination of a non-conforming *pro forma* interconnection agreement 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 interconnection agreement, access to the Point of Interconnection of the Generating Facility will be available on a non-discriminatory basis pursuant to the ISO's applicable interconnection and transmission expansion processes and procedures.

40.22 Construction of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades

40.22.1 Schedule

The Connecting Transmission Owner and Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of the Connecting Transmission Owner's Attachment Facilities, the System Upgrade Facilities, and the System Deliverability Upgrades. If the System Upgrade Facilities or System Deliverability Upgrades involve Affected Transmission Owners, the Affected Transmission Owner and Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of such upgrades.

40.22.2 Construction Sequencing

40.22.2.1 General

In general, the Initial Backfeed Date of the Interconnection Customer in each Cluster Study seeking interconnection to the New York State Transmission System will determine the sequence of construction of System Upgrade Facilities and System Deliverability Upgrades.

40.22.2.2 Advance Construction of System Upgrade Facilities and System Deliverability Upgrades that are an Obligation of an Entity other than the Interconnection Customer

An Interconnection Customer with an interconnection agreement, in order to maintain its Initial Backfeed 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, as applicable, in the Cluster Study or Class Year Study for such Interconnection Customer, (ii) are necessary to support such Initial Backfeed Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than the Interconnection Customer that is seeking interconnection to the New York State Transmission

System, in time to support such Initial Backfeed 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 Interconnection Customer commits in writing to pay Connecting Transmission Owner any associated expediting costs.

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

An Interconnection Customer with an interconnection agreement, in order to maintain its Initial Backfeed 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 Initial Backfeed 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 Initial Backfeed 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 Interconnection Customer commits in writing to pay Connecting Transmission Owner any associated expediting costs.

40.22.3 Provisional Interconnection Service

Subject to the requirements of Section 40.21.4, prior to the completion of the Cluster Study and prior to completion of requisite Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Distribution Upgrades, or System Protection Facilities, the Interconnection Customer 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 Interconnection Customer interconnects without modifications to the 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 Facility. Where available studies indicate that the Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities are required for the interconnection of a new, modified and/or expanded Facility but such facilities are not currently in place, the ISO, in conjunction with the Connecting Transmission Owner, will perform a study, at Interconnection Customer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Facility in the Provisional Standard Interconnection Agreement shall be studied, at Interconnection Customer's expense, and updated annually. The ISO shall issue the study's findings in writing to Interconnection Customer and Connecting Transmission Owner(s). Following a determination by the ISO, in conjunction with the Connecting Transmission Owner, that Interconnection Customer may reliably provide Provisional Interconnection Service, the ISO shall tender to Interconnection Customer and Connecting Transmission Owner, a Provisional Standard Interconnection Agreement. The ISO, Interconnection Customer, and Connecting Transmission Owner may execute the Provisional Standard Interconnection Agreement, or Interconnection Customer may request the filing of an unexecuted Provisional Standard Interconnection Agreement with the

Commission. Interconnection Customer shall assume all risk and liabilities with respect to changes between the Provisional Standard Interconnection Agreement and the Standard Interconnection Agreement, including changes in output limits and the cost responsibilities for the Attachment Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or System Protection Facilities.

40.23 Fast Track Process

40.23.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Generating Facility with a Connecting Transmission Owner's Distribution System if the Generating Facility's capacity does not exceed the size limits identified in the table below. Generating Facilities below these limits are eligible for review under the Fast Track Process. However, eligibility for the Fast Track Process is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Generating Facility will pass the Fast Track Process screens in Section 40.23.2.1 below or the supplemental review screens in Section 40.23.4.4 below.

To the extent the Fast Track Request is withdrawn or deemed withdrawn by the ISO, the Interconnection Customer may submit an Interconnection Request in a Cluster Study Application Window.

Eligibility for the Fast Track Process is determined based upon the generator type, the size of the generator, voltage of the line and the location of and type of line at the Point of Interconnection. All Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. In addition to the size threshold, the Interconnection Customer's proposed Generating Facility must meet the codes,

standards, and certification requirements of Appendices 10 and 11 of these procedures, or the ISO, in consultation with the Connecting Transmission Owner, has to have reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate.

Fast Track Eligibility for Inverter-Based Systems		
Line Voltage	Fast Track Eligibility Regardless of Location	Fast Track Eligibility on a Mainline[1] and ≤ 2.5 Electrical Circuit Miles from Substation[2]
< 5 kV	≤ 500 kW	≤ 500 kW
≥ 5 kV and < 15 kV	≤ 2 MW	≤ 3 MW
≥ 15 kV and < 30 kV	≤ 3 MW	≤ 4 MW
≥ 30 kV and ≤ 69 kV	≤ 4 MW	≤ 5 MW

[1] For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

[2] An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a Pre-Application Report pursuant to Section 40.4.2.

40.23.2 Initial Review

Within 15 Business Days after the ISO notifies the Interconnection Customer it has received a complete Fast Track Request in the form set forth in Appendix 13 to this Attachment HH, the ISO, in consultation with the Connecting Transmission Owner, shall perform an initial review using the screens set forth below, shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the determinations under the screens.

40.23.2.1 Screens

40.23.2.1.1 The proposed Generating Facility's Point of Interconnection must be on a portion of the Connecting Transmission Owner's Distribution System.

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

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

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

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

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

proposed for a circuit that already exceeds 87.5% of the short circuit interrupting capability.

40.23.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Connecting Transmission Owner's electric power system due to a loss of ground during the operating time of any anti-islanding function.

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

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

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

40.23.2.1.9 The Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units

located in the general electrical vicinity (*e.g.*, three or four transmission busses from the point of interconnection).

40.23.2.1.10 No construction of facilities by the Connecting Transmission Owner on its own system shall be required to accommodate the Generating Facility.

40.23.2.2 If the proposed interconnection passes the screens, the Fast Track Request shall be approved and the ISO will provide the Interconnection Customer and the Connecting Transmission Owner a draft interconnection agreement within five Business Days after the determination.

40.23.2.3 If the proposed interconnection fails the screens, but the ISO, in consultation with the Connecting Transmission Owner, determines that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the ISO shall provide the Interconnection Customer and the Connecting Transmission Owner a draft interconnection agreement within five Business Days after the determination. To the extent appropriate, the ISO shall notify any Affected System or Connecting Transmission Owner prior to the determination to allow for potential input by the Affected System or Connecting Transmission Owner. For purposes of this section, Affected System may include the portions of the New York State Transmission System that may be potentially affected.

40.23.2.4 If the proposed interconnection fails the screens, but the ISO, in consultation with the Connecting Transmission Owner, does not or cannot determine from the initial review that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards

unless the Interconnection Customer is willing to consider Minor Modifications or further study, the ISO shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

40.23.3 Customer Options Meeting

If the ISO, in consultation with the Connecting Transmission Owner, determines the Fast Track Request cannot be approved without: (1) Minor Modifications at minimal cost, (2) a supplemental study or other additional studies or actions, or (3) incurring significant cost to address safety, reliability, or power quality problems, the ISO shall notify the Interconnection Customer of that determination within five Business Days after the determination and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the ISO's determination, the ISO shall offer to convene a customer options meeting with the Interconnection Customer and the Connecting Transmission Owner to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine, in consultation with the Connecting Transmission Owner, what further steps are needed to permit the Generating Facility to be connected safely and reliably. At the time of notification of the ISO's determination, or at the customer options meeting:

40.23.3.1 The Connecting Transmission Owner shall offer to perform facility modifications or Minor Modifications to the Connecting Transmission Owner's electric system (*e.g.*, changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Connecting Transmission Owner's electric system. If the Interconnection Customer agrees to pay for the modifications to the Connecting Transmission Owner's electric system, the ISO will provide the Interconnection Customer and

the Connecting Transmission Owner with a draft interconnection agreement within ten Business Days of the customer options meeting; or

40.23.3.2 The ISO shall offer to perform a supplemental review in accordance with Section 40.23.4 and provide a non-binding good faith estimate of the costs of such review.

40.23.4 Supplemental Review

40.23.4.1 To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit – in accordance with the requirements in Section 40.2.4 – to the ISO for the estimated costs of the supplemental review in the amount of the good faith estimate of the costs of such review by the ISO, in consultation with the Connecting Transmission Owner, both within 15 Business Days of the offer. If the written agreement and deposit have not been received by the ISO within that timeframe, the Fast Track Request shall be withdrawn by the ISO.

40.23.4.2 The Interconnection Customer may specify the order in which the ISO, in consultation with the Connecting Transmission Owner, will complete the screens in Section 40.23.4.4.

40.23.4.3 The Interconnection Customer shall be responsible for the ISO's and the Connecting Transmission Owner's actual costs for the supplemental review conducted by the ISO in accordance with the requirements in Section 40.24.3.

40.23.4.4 Within 30 Business Days following receipt of the deposit for a supplemental review, the ISO, in consultation with the Connecting Transmission Owner, shall: (1) perform a supplemental review using the screens set forth

below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the ISO's and Connecting Transmission Owner's determination under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the ISO shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 40.23.4.4.1, within two Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 40.23.4.4 or (2) terminate the supplemental review upon withdrawal of the Fast Track Request by the Interconnection Customer.

40.23.4.4.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Generating Facility) are available, can be calculated, can be estimated from existing data, or can be determined from a power flow model, the aggregate generating facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the ISO, in consultation with the CTO, shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under Section 40.23.4.4.

40.23.4.4.1.1 The type of generation used by the proposed Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of this screen. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (*i.e.*, 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

40.23.4.4.1.2 When this screen is being applied to a Generating Facility that serves some station service load, only the net injection into the Connecting Transmission Owner's electric system will be considered as part of the aggregate generation.

40.23.4.4.1.3 The ISO, in consultation with the Connecting Transmission Owner will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

40.23.4.4.2 Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuations is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

40.23.4.4.3 Safety and Reliability Screen: The location of the proposed Generating Facility and the aggregate generation capacity on the line section do not create

impacts to safety or reliability that cannot be adequately addressed without application of the Cluster Study Process. The ISO, in consultation with the Connecting Transmission Owner, shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

40.23.4.4.3.1 Whether the line section has significant minimum loading levels dominated by a small number of customers (*e.g.*, several large commercial customers).

40.23.4.4.3.2 Whether the loading along the line section is uniform or even.

40.23.4.4.3.3 Whether the proposed Generating Facility is located in close proximity to the substation (*i.e.*, less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a mainline rated for normal and emergency ampacity.

40.23.4.4.3.4 Whether the proposed Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

40.23.4.4.3.5 Whether operational flexibility is reduced by the proposed Generating Facility, such that transfer of the line section(s) of the Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.

40.23.4.4.3.6 Whether the proposed Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

40.23.4.5 If the proposed interconnection passes the supplemental screens in Sections 40.23.4.4.1, 40.23.4.4.2, and 40.23.4.4.3 above, the Fast Track Request shall be approved and the ISO will provide the Interconnection Customer and the Connecting Transmission Owner with an executable interconnection agreement with the timeframes established in Sections 40.23.4.5.1 and 40.23.4.5.2 below. If the proposed interconnection fails any of the supplemental review screens, the Fact Track Request shall be withdrawn by the ISO.

40.23.4.5.1 If the proposed interconnection passes the supplemental screens in Sections 40.23.4.4.1, 40.23.4.4.2, and 40.23.4.4.3 above and does not require construction of facilities by the Connecting Transmission Owner on its own system, the interconnection agreement shall be provided within ten Business Days after the notification of the supplemental review results.

40.23.4.5.2 If interconnection facilities or Minor Modifications to the Connecting Transmission Owner's system are required for the proposed interconnection to pass the supplemental screens in Sections 40.23.4.4.1, 40.23.4.4.2, and 40.23.4.4.3 above, and the Interconnection Customer agrees to pay for the modifications to the Connecting Transmission Owner's electric system, the interconnection agreement, along with a non-binding good faith estimate for the interconnection facilities and/or Minor Modifications, shall be provided to the Interconnection Customer within 15 Business Days after receiving written notification of the supplemental review results.

40.23.4.5.3 If the proposed interconnection would require more than interconnection facilities or Minor Modifications to the Connecting Transmission Owner's system

to pass the supplemental screens in Sections 40.23.4.4.1, 40.23.4.4.2, and 40.23.4.4.3 above, the ISO shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Fast Track Request shall be withdrawn by the ISO from the Queue.

40.24 Miscellaneous

40.24.1 Confidentiality

Certain information exchanged by the Parties during the administration of these Standard Interconnection Procedures shall constitute confidential information ("Confidential Information") and shall be subject to this Section 40.24.1.

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

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

40.24.1.1 Scope

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

Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the Standard Interconnection Agreement; or (6) is required, in accordance with Section 40.24.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the Standard Interconnection Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

40.24.1.2 Release of Confidential Information

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with 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 40.24.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 40.24.1.

40.24.1.3 Rights

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

40.24.1.4 No Warranties

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

40.24.1.5 Standard of Care

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

40.24.1.6 Order of Disclosure

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

use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

40.24.1.7 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's breach of its obligations under this Section 40.24.1. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party breaches or threatens to breach its obligations under this Section 40.24.1, 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 40.24.1, 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 40.24.1.

40.24.1.8 Disclosure to FERC, its Staff, or a State

Notwithstanding anything in this Section 40.24.1 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to these Standard Interconnection Procedures or the ISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential

and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Standard Interconnection Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner consistent with applicable state rules or regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

40.24.1.9 Subject to the exception in Section 40.24.1.8 of these Standard Interconnection Procedures, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the supplying Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under these Standard Interconnection Procedures, the ISO OATT or ISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the

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

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

40.24.1.11 The ISO and Connecting Transmission Owner shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

40.24.2 Delegation of Responsibility

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

40.24.3 Payments and Invoicing

40.24.3.1 Obligation to Pay Costs under Standard Interconnection Procedures

40.24.3.1.1 The ISO shall charge and Interconnection Customer shall pay the actual costs of the study work of the Cluster Study Process incurred by the ISO and Transmission Owner under these Standard Interconnection Procedures, after the Interconnection Customer has submitted its Interconnection Request or CRIS-

Only Request. In the event an Interconnection Customer withdraws its Interconnection Request or CRIS-Only Request, or its Interconnection Request or CRIS-Only Request is deemed withdrawn by the ISO, prior to the commencement of the Phase 1 Study, Interconnection Customer must pay the ISO the actual costs of processing its Interconnection Request or CRIS-Only Request.

40.24.3.1.2 The ISO shall charge and Interconnection Customer shall pay the actual costs of the study work of an Expedited Deliverability Study performed pursuant to Section 40.19, an Affected System Study performed pursuant to Section 40.8.3, a Fast Track Process supplemental review performed pursuant to Section 40.23.4, or review of a Facility Modification Request pursuant to Section 40.6.3.2, which costs are incurred by the ISO and Transmission Owners under these Standard Interconnection Procedures.

40.24.3.2 Study Cost Allocation

40.24.3.2.1 Cluster Study Process Cost Allocation

40.24.3.2.1.1 Cluster Study Projects shall be responsible for Cluster Study costs in the following manner: (1) each Cluster Study Project shall pay the actual cost of studying the Attachment Facilities and Distribution Upgrades for its own facility; (2) each Cluster Study Project shall pay the actual cost of studying Local System Upgrade Facilities for its own facility; and (3) each Cluster Study Project shall pay an equal share of all other Cluster Study costs (*i.e.*, those not related to Attachment Facilities, Distribution Upgrades or Local System Upgrade Facilities).

40.24.3.2.1.2 With respect to the costs of studying the Attachment Facilities and Distribution Upgrades referenced above, if more than one Cluster

Study Project contributes to the need for particular Attachment Facilities or Distribution Upgrades, those Cluster Study Projects shall share equally in the cost to study those Attachment Facilities or Distribution Upgrades.

40.24.3.2.1.3 With respect to the costs of studying the Local System Upgrade Facilities referenced above, if more than one Cluster Study Project contributes to the need for particular Local System Upgrade Facilities, those Cluster Study Projects shall share equally in the cost to study those Local System Upgrade Facilities.

40.24.3.2.1.4 Notwithstanding the above study cost allocation requirements, no Interconnection Customer electing to be evaluated only for ERIS shall be responsible for any cost of any CRIS evaluation in the Cluster Study, and any Cluster Study Project that elects, pursuant to Section 40.6.4.1, to withdraw from the Cluster Study, withdraw its CRIS request, or elect to have no System Deliverability Upgrade identified to make the project deliverable at its level of requested CRIS, shall not be responsible for the costs of any additional detailed studies required for System Deliverability Upgrades.

40.24.3.2.2 Expedited Deliverability Study Process Cost Allocation

Each project participating in an Expedited Deliverability Study shall pay an equal share of the study costs for the study.

40.24.3.2.3 Affected System Study Process Cost Allocation

Each project participating in an Affected System Study shall pay an equal share of the Affected System Study costs required for the identification of the need for any Affected Network Upgrade Facilities. With respect to the costs of

identifying any Affected System Network Upgrades, if more than one project contributes to the need for particular Affected System Network Upgrade, those projects shall share equally in the cost to study the Affected System Network Upgrade.

40.24.3.2.4 Fast Track Process Supplemental Review

The entity for which the ISO performs a supplemental review under the Fast Track Process in accordance with Section 40.23.4 shall be responsible for the study costs concerning the supplemental review.

40.24.3.2.5 Facility Modification Request Study

The entity for which the ISO performs a study in response to its Facility Modification Request in accordance with Section 40.6.3.2 shall be responsible for the study costs concerning the Facility Modification Request.

40.24.3.3 Obligation to Pay Withdrawal Penalties and Application of Withdrawal Penalties

40.24.3.3.1 The ISO shall charge, and Interconnection Customer shall pay, any Withdrawal Penalty assessed under Sections 40.6.5, 40.7.6, 40.10.9, and 40.15.5. Any Withdrawal Penalty is in addition to the Interconnection Customer's responsibility to pay for costs described in Section 40.24.3.1.

40.24.3.3.2 A Withdrawal Penalty that is calculated as a percentage of a Study Deposit amount will be calculated using the initial Study Deposit amount provided by the Interconnection Customer with its Interconnection Request or CRIS-Only Request, regardless of whether the ISO has had to draw on the Study Deposit to recover any study costs that Interconnection Customer has not paid.

40.24.3.3.3 The ISO shall apply the collected Withdrawal Penalty Funds pursuant to Section 40.6.5.

40.24.3.3.4 The ISO shall not be liable for unpaid Withdrawal Penalties and may not collect them from other Interconnection Customers or Transmission Customers.

40.24.3.4 Invoicing and Payment

40.24.3.4.1 The ISO shall invoice the Interconnection Customer monthly for the costs described in Section 40.24.3.1. The ISO shall invoice for Withdrawal Penalties after they are assessed.

40.24.3.4.2 The Interconnection Customer shall pay the invoiced amount to the ISO within thirty (30) calendar days of the ISO's issuance of the invoice. Except as otherwise provided in Section 40.24.3.4.5, if the Interconnection Customer does not pay its invoice within the timeframe described above, it shall be subject to withdrawal pursuant to Section 40.6.4 to this Attachment HH.

40.24.3.4.3 This section applies to deposits provided under this Attachment HH with the exception of Site Control Deposits. The ISO shall hold deposits provided by Interconnection Customer until settlement of the final invoices. If Interconnection Customer has not paid all invoices, including invoices for Withdrawal Penalties, the NYISO shall (i) recover any unpaid costs described in Section 40.24.3.1 from Interconnection Customer's deposits and then (ii) recover any Withdrawal Penalties from Interconnection Customer's deposits. After the ISO has recovered all unpaid costs and penalties, if any, from Interconnection Customer's deposits, the ISO will (i) refund to the Interconnection Customer any remaining refundable cash portion of its deposits, and (ii) provide written

authorization for Interconnection Customer to request that the bank cancel any remaining letter of credit or surety bond provided as a deposit.

40.24.3.4.4 Any invoices for the Cluster Study must be submitted to the ISO within sixty (60) days of completion of the subject Interconnection Study and shall include a detailed and itemized accounting of the incurred cost of the study work for the Cluster Study. After the conclusion of the Cluster Study Process or if, prior to the conclusion of the Cluster Study Process, the Interconnection Customer withdraws or is withdrawn by the ISO from the Queue, the ISO shall issue a final invoice to Interconnection Customer, which Interconnection Customer shall pay within the timeframe set forth in Section 40.24.3.4.2.

40.24.3.4.5 In the event of an Interconnection Customer's dispute over invoiced amounts, the Interconnection Customer shall: (i) timely pay any undisputed amounts to the ISO, and (ii) pay into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Interconnection Customer fails to meet these two requirements, then the ISO shall not be obligated to perform or continue to perform any study work on behalf of the Interconnection Customer's Interconnection Request, CRIS-Only Request, or other study request under this Attachment HH. Disputes arising under this section shall be addressed through the Dispute Resolution Procedures set forth in Section 40.24.5 to this Attachment HH. Within thirty (30) Calendar Days after resolution of the dispute, the Interconnection Customer will pay the ISO any amounts due with interest actually earned on such amounts.

40.24.3.4.6 Neither the ISO nor Transmission Owner shall be obligated to perform or continue to perform any study work on behalf of an Interconnection Customer's Interconnection Request, CRIS-Only Request, or other study request under this Attachment HH unless Interconnection Customer has paid all undisputed amounts in compliance with Section 40.24.3.4.5.

40.24.4 Third Parties Conducting Studies

The ISO, Connecting Transmission Owner, Affected Transmission Owner, and Affected System Operator may utilize a Transmission Owner or other third party to perform its respective obligations under the Cluster Study Process. In all cases, use of a third party shall be in accord with Article 26 of the Standard Interconnection Agreement (Subcontractors), limited to situations where the ISO determines that doing so will help maintain or accelerate the Cluster Study, and the relevant ISO OATT procedures and protocols as would apply if the ISO were to conduct the Cluster Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes.

40.24.5 Disputes

40.24.5.1 Submission

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the Standard Interconnection Agreement, these Standard Interconnection Procedures, or their performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). If the ISO is not identified as a party to the Dispute, the Party providing the Notice of Dispute shall also provide this notice to the ISO for the ISO to participate solely for purposes of assisting the other Parties in resolving the claim or dispute. Such Dispute shall be referred to a designated senior representative of each Party for resolution

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

40.24.5.2 External Arbitration Procedures

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The arbitrators so chosen shall within twenty (20) Calendar Days select one of them to chair the arbitration panel. In each case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; *provided, however*, that in the event of a conflict between the Arbitration Rules and the terms of this Section 40.24.5, the terms of this Section 40.24.5 shall prevail.

40.24.5.3 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 Standard Interconnection Agreement and Standard Interconnection Procedures and shall have no power to modify or change any provision of the Standard Interconnection Agreement and Standard Interconnection Procedures in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades.

40.24.5.4 Costs

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

40.24.5.5 Non-Binding Dispute Resolution Procedures

If a Party has submitted a Notice of Dispute pursuant to Section 40.24.5.1 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 40.24.5 arbitration process, a Party may request that the ISO engage in non-binding Dispute Resolution pursuant to this section by providing written notice to the ISO ("Request for Non-Binding Dispute Resolution"). Such Request for Non-Binding Disputes Resolution shall contain: (i) the name of the Party making the request, (ii) an indication of the Interconnection Customer, Connecting Transmission Owner, Affected Transmission Owner, and/or other potentially affected parties, to the extent known, (iii) a description of the dispute with sufficient detail to apprise the ISO, Interconnection Customer, Connecting Transmission Owner, Affected Transmission Owner, and/or other potentially affected parties the nature of the claim, (iv) copies of any materials that the Interconnection Customer has relied on to support its initial Notice of Dispute pursuant to Section 40.24.5.1, if applicable, and (v) citations to the ISO Tariffs and other relevant materials upon which the Party's dispute relies. Conversely, any Party may file a Request for Non-Binding Dispute Resolution pursuant to this section without first seeking mutual agreement to pursue the Section 40.24.5 arbitration process. The process in Section 40.24.5.5 shall serve as an alternative to, and not a replacement of, the Section 40.24.5 arbitration process. Pursuant to this process, the ISO must within thirty (30) Calendar 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. Any individual appointed as a neutral decision-maker shall make known to the disputing parties any such disqualifying relationship or interest and a new neutral decision-maker shall be appointed, unless express written consent is provided by each Party to the dispute.

Unless otherwise agreed by the Parties, the neutral 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 neutral decision-maker shall be authorized only to interpret and apply the provisions of the Standard Interconnection Procedures and Standard Interconnection Agreement and shall have no power to modify or change any provision of the Standard Interconnection Procedures and Standard Interconnection Agreement 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 40.24.5 arbitration, or in a Federal Power Act section 206 complaint. Each Party shall be responsible for its own costs incurred during the process and the cost of the neutral decision-maker shall be divided equally among each Party to the dispute.

40.24.6 Local Furnishing Bonds and Other Tax-Exempt Financing

40.24.6.1 Connecting Transmission Owners and Affected Transmission Owner(s) that Own Facilities Financed by Local Furnishing Bonds or Other Tax-Exempt Bonds

This provision is applicable only to a Connecting Transmission Owner or Affected Transmission Owner(s) that has financed facilities with tax-exempt bonds including, but not limited to, Local Furnishing Bonds ("Tax-Exempt Bonds"). Notwithstanding any other provision of this Standard Interconnection Agreement and Standard Interconnection Procedures, neither the ISO nor Connecting Transmission Owner shall be required to provide interconnection service to Interconnection Customer, nor shall any Connecting Transmission Owner or Affected Transmission Owner be required to construct System Upgrade Facilities or System Deliverability Upgrades, pursuant to this Standard Interconnection Agreement and Standard Interconnection Procedures, if the provision of such interconnection service or such construction would jeopardize the tax-exempt status of any Tax-Exempt Bonds or impair the ability of Connecting Transmission Owner or Affected Transmission Owner(s) to issue future tax-exempt obligations.

For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

40.24.6.2 Alternate Procedures for Requesting Interconnection Service

If a Connecting Transmission Owner or Affected Transmission Owner(s) determines that the provision of interconnection service requested by an Interconnection Customer would jeopardize the tax-exempt status of any Tax-Exempt Bond(s) used to finance its facilities that would be used in providing such interconnection service, or impair its ability to issue future tax-exempt obligations, Connecting Transmission Owner or Affected Transmission Owner(s) shall advise the Interconnection Customer and the ISO within thirty (30) Calendar days of receipt of the Interconnection Request.

The Interconnection Customer thereafter may renew its request for interconnection using the process specified in Section 40.5 of the ISO OATT.

40.25 Appendices to Attachment HH

40.25.1 APPENDIX 1 TO ATTACHMENT HH

INTERCONNECTION REQUEST

1. The undersigned Interconnection Customer submits this request to interconnect its Facility with the New York State Transmission System or Distribution System pursuant to the Standard Interconnection Procedures in the ISO OATT.

2. This Interconnection Request is for [insert project name]:_____

   _____, which is

   (check one of the following):

   ____ A proposed new Generating Facility

   ____ A proposed multi-unit Generating Facility

   ____ A proposed new BTM:NG Resource

   ____ A proposed new Cluster Study Transmission Project

   ____ A material modification to a proposed or existing facility (*e.g.*, an increase in the capacity of an existing facility beyond the permissible de minimis increases permitted under Section 40.2.3 of Attachment HH to the ISO OATT)

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

   _____

3. Is this Project mutually exclusive with another project proposed by the Interconnection Customer or its Affiliate in the current ongoing Small Generator Facilities Study, Class Year Study, or Cluster Study?

   ____Yes ____No

   Indicate the Queue Position _____

   If yes, is the Interconnection Customer submitting the Project as a Contingent Project in accordance with Section 40.5.4.1? ____Yes ____No

4. Does this Project have ongoing Optional Feasibility Study, System Impact Study, or System Reliability Impact Study?

   ____Yes ____No

Indicate the Queue Position _____

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

Net Metering? Yes ___ No___

To supply power other than to others through wholesale sales over the New York State?

Yes ___ No___

To participate in the wholesale market exclusively through a DER Aggregation?

Yes ___ No___

To Supply Power to a Host Load? Yes ___ No___

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

Name of Interconnection Customer : _____

Contact Person: _____

Title: _____

Address: _____

Email: _____

Telephone: _____

7. Address and coordinates of the proposed new Facility site (to the extent known) or, in the case of an existing Facility, the name and specific location of that existing facility:_____

_____

_____

_____

8. Requested Point of Interconnection and coordinates of the proposed Point(s) of Interconnection:

POI (name of the substation name (specify PSSE bus number) or

transmission/distribution line name and number (specify from/to PSSE bus number and

circuit number)): _____

_____

Coordinates of the POI (*i.e.*, Latitude and Longitude) : _____

Distances from the POI to the remote substations: _____

Nearby streets, roads, intersections: _____

9. MW nameplate rating: _____ at _____ degrees F (if temperature sensitive)

Requested Interconnection Service:

MW of requested ERIS at the POI (maximum summer or winter net MW, whichever is greater): _____

(NOTE: An Interconnection Customer may request ERIS below the Generating Facility Capability Generating Facilities and the full facility capacity for Cluster Study Transmission Projects subject to the requirements and limitations set forth in Section 40.5.6.2 of Attachment HH to the ISO OATT).

- If requesting ERIS for a multi-unit facility, specify the requested ERIS for each Generator: _____
- For temperature sensitive resources:

  Maximum summer net (net MW at the POI) which can be achieved at 90 degrees F: _____

  Maximum winter net (net MW at the POI) which can be achieved at 10 degrees F : _____
- MW of requested increase in ERIS of an existing facility, as calculated from the baseline ERIS (as defined in Section 40.2.3 of Attachment HH – for temperature-sensitive machines, provide the summer and winter MW vs. temperature curves for both gross MW and net MW corresponding to the requested net MW values provided above):_____

MW of requested CRIS at the POI: _____

- I

  f requesting CRIS for a multi-unit facility, specify the requested CRIS for each Generator: _____

- For a Resource with Energy Duration Limitations that is requesting CRIS, indicate the maximum injection capability over the selected duration (*e.g.*, 10 MWh over 4 hours): _____

- If requesting a CRIS transfer, indicate the transferor PTID(s), MW amount and, for a multi-unit Generating Facility, the specific Generator from which and to which the transfer is proposed: _____

_____

10. If a Cluster Study Transmission Project, which of the following forms of CRIS does the Interconnection Customer intend to request:

____ Unforced Capacity Deliverability Rights

____ External-to-Rest of State Deliverability Rights

11. General description of the proposed Project, including at a minimum the following:

_____

_____

_____

- One set of metering is required for each generation connection to the new ring bus or existing Connecting Transmission Owner 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

- 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

(If yes, indicate on one-line diagram).

- What type of control system or PLC will be located at the Interconnection Customer Attachment Facilities?

  _____

- What protocol does the control system or PLC use?

  _____

- Provide the POI site plan layout, depicting the Facility, 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 Connecting Transmission Owner's transmission line.

  _____

- Type (overhead or underground) of line(s) from the proposed Facility to Point(s) of Interconnection.

  _____

- Number of line(s) from the proposed Facility to Point(s) of Interconnection.

  _____

- Number of conductors per phase of line(s) from the proposed Facility to Point(s) of Interconnection.

  _____

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

  _____

- Number of third-party easements required for transmission lines, if known:

_____

12. Attach a conceptual breaker one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

    The conceptual breaker one-line diagram is a representation of electrical components that are connecting into the NYSTS or Distribution System as applicable. This conceptual breaker one-line diagram should include, at a minimum:

    - The Project name, and the Interconnection Customer name on the diagram;
    - The facility address (specific location of the Facility);
    - The number of inverters or generator units (type, nameplate rating MW and MVA), and configuration of the Facility;
    - The Facility's electrical components (*i.e.*, generation, transformers (GSU, PSU, current transformer, and potential transformers), breakers, switches, cables/lines/feeders (including assumed numbers of conductors per phase), compensation, FACTs, auxiliary load, buses, etc.) as described in NYISO Reliability Analysis Data Manual;
    - The capability and voltage levels of the electrical components, their connection to each other and to the New York State Transmission System or Distribution System;
    - The Point of Interconnection (name of the substation name (specify the bus) or transmission/distribution line name and number); and
    - References to other diagram sheets if there is more than one diagram sheet (*i.e.*, use references to indicate how the diagrams are interconnected).

    Acronyms used in the conceptual breaker one-line diagram should follow ANSI Standard Device Numbers & Common Acronyms.

13. A workable Project power flow, short circuit, transient stability modeling data and supporting documentation (as set forth in Attachment A) must be provided with this Interconnection Request form.

14. Proposed Initial Backfeed Date (Month/Year): _____

    Proposed Synchronization Date (Month/Year): _____

    Proposed Commercial Operation Date (Month/Year): _____

15. $10,000 non-refundable Application Fee must be submitted with this Interconnection Request form in accordance with Section 40.5.5.1.3 of Attachment HH.

16. A Study Deposit must be submitted with this Interconnection Request form pursuant to Section 40.5.5.1.4 of Attachment HH.

17. Evidence of Site Control as specified in the Section 40.5.5.1.5 of Attachment HH (check one):

____ a. Is attached to this Interconnection Request, provides full Site Control for the following number of acres: _____, and includes an attestation in the form set forth in ISO Procedures from an officer of the company: (i) indicating the amount of acreage covered by the provided Site Control materials and (ii) that such acreage is consistent with the acreage and other parameters for the Facility's technology type set forth in ISO Procedures; or

____ b. Is attached to this Interconnection Request and provides for Site Control for a new technology type not addressed in ISO Procedures or for less acreage than required for the Facility's technology type as set forth in ISO Procedures.

If b. is selected, Interconnection Customer must submit the following with this Interconnection Request in accordance with the requirements in Section 40.5.5.1.5 of Attachment HH:

(1) an attestation in the form set forth in ISO Procedures from an officer of the company sufficiently describing and explaining the special circumstances of the project that permits a different acreage amount for Site Control than the requirements in the ISO Procedures; and

(2) a licensed Professional Engineer (electrical or civil) signed and stamped site plan that depicts that the Site Control provided by the Interconnection Customer can support the proposed arrangement of its Facility.

____ c. Interconnection Customer is providing a Site Control Deposit due to Regulatory Limitation.

If c. is selected, Interconnection Customer must provide the following with this Interconnection Request in accordance with the requirements in Section 40.5.5.1.5.1 of Attachment HH:

(1) a signed affidavit from an officer of the company indicating that Site Control is unobtainable due to Regulatory Limitations as such term is defined in ISO Procedures;

(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 the Regulatory Limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements, and

(3) a Site Control Deposit of $10,000 per MW, subject to a minimum of $500,000 and a maximum of $2,000,000.

18. For an inverter-based resource that is greater than 20 MW, attach the form set forth in ISO Procedures concerning the attestations required by NYSRC Reliability Rule B.5_____

19. By submitting this Interconnection Request:

Interconnection Customer represents and warrants that the information and materials it provides with this Interconnection Request are accurate and complete as of the time of this submission.

Interconnection Customer acknowledges that it will be required to execute a Cluster Study Agreement with the NYISO, Connecting Transmission Owner, and any identified Affected Transmission Owner(s) or Affected System Owner(s) following the validation of this Interconnection Request.

Interconnection Customer acknowledges and agrees that it shall pay the study costs incurred under the requirements of the NYISO's Standard Interconnection Procedures in Attachment HH to the NYISO OATT and ISO Procedures in connection with this Interconnection Request, including any study costs that are incurred prior to the full execution of the Cluster Study Agreement for this Interconnection Request.

[This Interconnection Request to be signed by an officer of the Interconnection Customer or a person authorized to sign for the Interconnection Customer]

Signature: _____

Name (type or print): _____

Title: _____

Company: _____

Date: _____

DETAILED GENERATING FACILITY DATA
(Additional data may be required at subsequent stages of the Cluster Study Process)

1. Describe the composition of assets (including MW level) within the Generating Facility, including load reduction assets (*e.g.*, 50 MW wind facility, 20 MW Energy Storage Resource and a load reduction resource with a maximum of 1 MW of load reduction):

_____

2. Maximum Injection Capability of entire Generating Facility over 1 hour:

_____

3. If the facility includes a Resource with Energy Duration Limitations, indicate the maximum injection capability for the entire Generating Facility over the selected duration (*e.g.*, 100 MW over 4 hours):_____

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

Resource/Fuel type:

___ Solar

___ Wind

___ Hydro ___Hydro Type (*e.g.* Run-of-River):_____

___ Diesel

___ Natural Gas

___ Fuel Oil

___ Other (state type)_____

Generator Nameplate Rating: _____MW (Typical)

MVA _____ at °F _____ Voltage (kV)_____

Maximum Reactive Power at Rated Power Leading (MVAR): ___

Minimum Reactive Power at Rated Power Lagging (MVAR): ___

Customer-Site Load: _____MW

Existing load? Yes ___ No___

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

If new load or existing load without metered load data, provide estimated coincident Summer peak load, together with supporting documentation for such estimated value:
_____

Typical Reactive Load: _____MVAR

Generator manufacturer, model name & number: _____

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

Nameplate Output Power Rating (for IBRs, at the inverter terminal)

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

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

If solar, total number of solar panels in solar farm to be interconnected pursuant to this Interconnection Request: _____

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

If wind, total number of generators in wind farm to be interconnected pursuant to this Interconnection Request: _____

Generator Height: Single phase_____Three Phase_____

Wind Model Type: ___Type 1 ___ Type 2 ___ Type 3 ___ Type 4

If an Energy Storage Resource or a Resource with Energy Duration Limitations:

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

Energy storage capability (MWh):_____

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

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

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

Maximum sustained hour injection in MW hours (calculated at the Minimum Duration for full discharge): _____

Primary frequency response operating range for electric storage resource: _____

Minimum State of Charge: _____ (%)

Maximum State of Charge:_____ (%)

5. Attach modeling data files:*

    - Power Flow model ____
    - Short circuit model ____
    - Dynamic models ____

    *PSSE files must be in *.raw* or *.sav* and *.dyr* format. ASPEN files must be in *.olr* format.

6. For a non-synchronous Generating Facility, Interconnection Customer shall provide: (1) a validated user-defined root mean squared (RMS) positive sequence dynamics model; (2) an appropriately parameterized generic library RMS positive sequence dynamics model, including model block diagram of the inverter control and plant control systems, as set forth in the ISO Procedures or a model otherwise approved by the Western Electricity Coordinating Council, that corresponds to Interconnection Customer's Generating Facility; and (3) if applicable, a validated electromagnetic transient model if the ISO performs an electromagnetic transient study as part of the interconnection study process. A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (*e.g.*, an attestation from Interconnection Customer that the model accurately represents the entire Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Generating Facility; or test data).

ADDITIONAL INFORMATION REQUESTED FOR CLUSTER STUDY TRANSMISSION PROJECTS

Description of proposed project:

a. General description of the equipment configuration and kV level:

_____

_____

b. Transmission technology and manufacturer (*e.g.*, HVDC VSC):

_____

_____

ADDITIONAL INFORMATION REQUESTED FOR FACILITIES SEEKING ERIS BELOW FULL OUTPUT

Describe any injection-limiting equipment if the facility is requesting ERIS below its full output:

_____

_____

40.25.2 APPENDIX 2 TO ATTACHMENT HH

CRIS-ONLY REQUEST

1. The undersigned Interconnection Customer who submits this request is proposing to develop or own a proposed or an existing Facility requesting Capacity Resource Interconnection Service ("CRIS").

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

   Name of Interconnection Customer : _____

   Contact Person: _____

   Title: _____

   Address: _____

   Email: _____

   Telephone: _____

3. Type of CRIS-Only Request:

   ____ CRIS or increased CRIS for an existing facility

   ____ CRIS or increased CRIS for a facility that is not existing but has ERIS

   ____ Different location CRIS Transfer (skip to question 13)

   ____ External CRIS Rights Request (skip to question 14)

4. Queue Position/PTID No./TO or NYSIR queue no. (if applicable): _____

5. Project/facility name:_____

6. Is this Project mutually exclusive with another project proposed by the Interconnection Customer or its Affiliate in the current ongoing Expedited Deliverability Study, Class Year Study, or Cluster Study?
   ____Yes ____No

   If yes:

Indicate the Queue Position/PTID No./TO or NYSIR queue no. (if applicable): _____

Is the Interconnection Customer submitting the Project as a Contingent Project in accordance with Section 40.5.4.1? ____Yes ____No

7. Address or location or the proposed new Facility site (to the extent known) or, in the case of an existing Facility, the name and specific location of that existing facility:_____
_____
_____

8. MW nameplate rating: _____ at _____ ° F (if temperature sensitive)

   MW of requested CRIS at the POI: _____

   - I f requesting CRIS for a multi-unit facility, specify the requested CRIS for each Generator: _____
   - For a Resource with Energy Duration Limitations that is requesting CRIS, indicate the maximum injection capability over the selected duration (*e.g.*, 10 MWh over 4 hours)_____

9. If a Cluster Study Transmission Project, which of the following forms of CRIS does the Interconnection Customer intend to request:

   ____ Unforced Capacity Deliverability Rights

   ____ External-to-Rest of State Deliverability Rights

10. General description of the proposed Project (*e.g.*: describe type/size/number/general configuration of the proposed generator units, transmission, transformers, feeders, lines leading to the proposed point of interconnection(s), breakers, etc.):
_____
_____
_____

11. Attach a conceptual breaker one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

    The conceptual breaker one-line diagram is a representation of electrical components that are connecting into the NYSTS or Distribution System as applicable. This conceptual breaker one-line diagram should include, at a minimum:

    - The Project name, and the Interconnection Customer name on the diagram;

- The facility address (specific location of the Facility);
- The number of inverters or generator units (type, nameplate rating MW and MVA), and configuration of the Facility;
- The Facility's electrical components (*i.e.*, generation, transformers (GSU, PSU, current transformer, and potential transformers), breakers, switches, cables/lines/feeders, compensation, FACTs, auxiliary load, buses, etc.) as described in NYISO Reliability Analysis Data Manual;
- The capability and voltage levels of the electrical components, their connection to each other and to the New York State Transmission System or Distribution System;
- The Point of Interconnection (name of the substation name (specify the bus) or transmission/distribution line name and number); and
- References to other diagram sheets if there is more than one diagram sheet (*i.e.*, use references to indicate how the diagrams are interconnected).

Acronyms used in the conceptual breaker one-line diagram should follow ANSI Standard Device Numbers & Common Acronyms.

12. A workable Project power flow, short circuit, transient stability modeling data and supporting documentation (as set forth in Attachment A) must be provided with this CRIS-Only Request form.

13. Proposed Initial Backfeed Date (Month/Year): _____

    Proposed Synchronization Date (Month/Year): _____

    Proposed Commercial Operation Date (Month/Year): _____

14. If requesting a CRIS transfer, indicate the following:

- Submitting Entity (Transferor)'s Contact Information
  - Organization name:_____
  - Address:_____
  - Phone Number:_____
  - Email:_____
- Receiving Entity (Transferee)'s Contact Information

- Organization name:_____
- Address:_____
- Phone Number:_____
- Email:_____
- Queue No., if applicable:_____

- Type of Transfer (Check One)
  - ____ Partial CRIS Transfer (CRIS MW to be Transferred:_____)
  - ____ Full CRIS Transfer (CRIS MW to be Transferred:_____)
- Transferor Facility's New CRIS MW post-transfer:_____
- Receiving Entity/Transferee Facility's New CRIS MW post-transfer:_____
- Anticipate date of Transfer, if approved:_____
- Transferor Facility Information (for a multi-unit Generating Facility, the specific Generator from which the transfer is proposed)
  - Transferor facility

    PTID(s):_____
  - Transferor facility's electrical location (*i.e.*, Point of Interconnection):_____
  - Transferor facility's Current CRIS MW:_____
- Transferee Facility Information (for a multi-unit Generating Facility, the specific Generator to which the transfer is proposed)
  - Transferee facility's PTID(s):_____
  - Transferee facility's electrical location:_____
  - MW nameplate rating: _____ at _____ ° F (if temperature sensitive)
  - Transferee facility's current CRIS MW:_____

15. If requesting External CRIS, indicate the following:

- _____ Years (term of the requested Award Period (minimum five (5) years)).

- _____ MW of External CRIS requested for each month of Summer Capability Period. The same number of MW must be supplied for all months of each Summer Capability Period throughout the Award Period.

- _____ MW of External CRIS requested each month of Winter Capability Period (cannot exceed MW committed for Summer Capability Period). None required, but if Requestor does commit MW to any month of Winter Capability Period, Requestor must specify months requested below.

    - ___November
    - ___December
    - ___January
    - ___February
    - ___March
    - ___April

- The External Interface(s) to be used for the External ICAP:

- A Requestor may request external CRIS rights by making either a contract commitment or a non-contract commitment for the award period. A requestor must indicate the type of its commitment, as follows:

- _____ Contract commitment; or

- _____ Non-contract commitment.

16. Detailed generating facility data specified in Attachment A must be submitted with this CRIS-Only Request form.

17. $5,000 non-refundable Application Fee must be submitted with this CRIS-Only Request form in accordance with Section 40.5.5.1.3 of Attachment HH.

18. A $50,000 Study Deposit must be submitted with this CRIS-Only Request form pursuant to Section 40.5.5.1.4 of Attachment HH.

19. By submitting this CRIS-Only Request:

    Interconnection Customer represents and warrants that the information and materials it provides with this CRIS-Only Request are accurate and complete as of the time of this submission.

    Interconnection Customer acknowledges that it will be required to execute a Cluster Study Agreement with the NYISO, Connecting Transmission Owner, and any identified Affected Transmission Owner(s) or Affected System Owner(s) following the validation of this CRIS-Only Request.

Interconnection Customer acknowledges and agrees that it shall pay the study costs incurred under the requirements of the NYISO's Standard Interconnection Procedures in Attachment HH to the NYISO OATT and ISO Procedures in connection with this CRIS-Only Request, including any study costs that are incurred prior to the full execution of the Cluster Study Agreement for this CRIS-Only Request.

[This CRIS-Only Request to be signed by an officer of the Interconnection Customer or a person authorized to sign for the Interconnection Customer]

Signature: _____

Name (type or print): _____

Title: _____

Company: _____

Date: _____

ATTACHMENT A

DETAILED GENERATING FACILITY DATA

(Not Applicable for CRIS Transfer and External CRIS Rights Requests)
(Additional data maybe required at subsequent stages of the Cluster Study Process)

1. Describe the composition of assets (including MW level) within the Generating Facility, including load reduction assets (*e.g.*, 50 MW wind facility, 20 MW Energy Storage Resource and a load reduction resource with a maximum of 1 MW of load reduction):

_____

2. Maximum Injection Capability of entire Generating Facility over 1 hour:

_____

3. If the facility includes a Resource with Energy Duration Limitations, indicate the maximum injection capability for the entire Generating Facility over the selected duration (*e.g.*, 100 MW over 4 hours):_____

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

Resource/Fuel type:

___ Solar

___ Wind

___ Hydro ___Hydro Type (*e.g.* Run-of-River):_____

___ Diesel

___ Natural Gas

___ Fuel Oil

___ Other (state type)_____

Generator Nameplate Rating: _____MW (Typical)

MVA _____ °F _____ Voltage (kV)_____

Maximum Reactive Power at Rated Power Leading (MVAR): ___

Minimum Reactive Power at Rated Power Lagging (MVAR): ___

Customer-Site Load: _____MW

Existing load? Yes ___ No___

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

If new load or existing load without metered load data, provide estimated coincident Summer peak load, together with supporting documentation for such estimated value:
_____

Typical Reactive Load: _____MVAR

Generator manufacturer, model name & number: _____

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

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

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

* The Nameplate Output Power Rating is at the inverter terminal for IBRs

If solar, total number of solar panels in solar farm to be interconnected pursuant to this CRIS-Only Request: _____

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

If wind, total number of generators in wind farm to be interconnected pursuant to this CRIS-Only Request: _____

Generator Height: Single phase_____Three Phase_____

Wind Model Type: ___Type 1 ___ Type 2 ___ Type 3 ___ Type 4

If an Energy Storage Resource or a Resource with Energy Duration Limitations:

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

Energy storage capability (MWh):_____

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

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

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

Maximum sustained hour injection in MW hours (calculated at the Minimum Duration for full discharge): _____

Primary frequency response operating range for electric storage resource: _____

Minimum State of Charge: _____ (%)

Maximum State of Charge:_____ (%)

5. Attach modeling data files:*

- Power Flow model ____
- Short circuit model ____
- Dynamic models ____

* PSSE files must be in *.raw* or *.sav* and *.dyr* format. ASPEN files must be in *.olr* format.

ADDITIONAL INFORMATION REQUESTED FOR CLUSTER STUDY TRANSMISSION PROJECTS

Description of proposed project:

a. General description of the equipment configuration and kV level:

_____

_____

b. Transmission technology and manufacturer (*e.g.*, HVDC VSC):

_____

_____

40.25.3 APPENDIX 3 TO ATTACHMENT HH

CLUSTER STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____ ("Interconnection Customer"), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), _____ a _____ organized and existing under the laws of the State of New York ("Connecting Transmission Owner"), and, if applicable, _____ a _____ organized and existing under the laws of the State of New York ("Affected Transmission Owner/Affected System Operator"). Each individual Interconnection Customer, NYISO, Connecting Transmission Owner, and Affected Transmission Owner/Affected System Operator may be referred to as a "Party," or collectively as the "Parties." *[If more than one Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator, to insert additional entity placeholder in preamble.]*

RECITALS

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

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

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

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

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

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT.

2.0 This Agreement will become effective upon the execution of the Interconnection Customer, Connecting Transmission Owner, the ISO, and any Affected Transmission Owner(s)/Affected System Operator(s) initially identified in connection with the ISO's validation of the Interconnection Request. If the ISO subsequently identifies potential impacts of the Cluster Study Project on the Affected System of an Affected Transmission Owner/Affected System Operator that require study under the Cluster Study Process, the Parties agree to amend this Agreement to include the applicable Affected Transmission Owner(s)/Affected System Owner(s).

3.0 Interconnection Customer elects for its Cluster Study Project to be evaluated for [ERIS/ERIS and CRIS/CRIS only/ External CRIS only/ an increase in CRIS] in the Cluster Study, and the NYISO, Connecting Transmission Owner, Interconnection Customer, and any Affected Transmission Owner(s)/Affected System Operator(s) shall perform their responsibilities for the Cluster Study consistent with the requirements in Attachment HH to the ISO OATT. The terms of the Attachment HH to the ISO OATT, as applicable, are hereby incorporated by reference herein, as such OATT requirements may be amended from time to time.

4.0 Interconnection Customer shall provide to the NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) as applicable, the information required by the [Interconnection Request/ CRIS-Only Request] and any other information required by Attachment HH to the ISO OATT in accordance with timeframes set forth in Attachment HH to the ISO OATT.

5.0 The Interconnection Customer shall provide any deposits and satisfy any entry requirements required at each decision period within the Cluster Study Process in accordance with the requirements in Attachment HH to the ISO OATT for its Cluster Study Project to continue to be assessed in the Cluster Study. Interconnection Customer shall be responsible for any Withdrawal Penalties assessed to its Cluster Study Project in accordance with Attachment HH to the ISO OATT. The time for completion of the components of the Cluster Study is specified in Attachment HH to the ISO OATT.

6.0 For an Interconnection Customer seeking ERIS, (i) the Phase 1 Study report shall provide a description, estimated cost of, and preliminary schedule for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities required to interconnect the facility to the New York State Transmission System (or Distribution System, as applicable) in accordance with the requirements in Section 40.10 of Attachment HH to the ISO OATT and (ii) the Cluster Study Report shall provide a description, estimated cost of, and preliminary schedule for the System Upgrade Facilities required to interconnect the facility to the New York State Transmission System (or Distribution System, as applicable) in accordance with the

requirements in Sections 40.11, 40.12, and 40.15 of Attachment HH to the ISO OATT.

7.0 For an Interconnection Customer seeking CRIS, the Cluster Study Report (i) shall identify whether System Deliverability Upgrades are required for the facility to be fully deliverable at its requested level of CRIS; and (ii) shall provide a description and estimated cost of any required System Deliverability Upgrades in accordance with the requirements in Sections 40.11, 40.12, 40.13, 40.14, and 40.15 of Attachment HH to the ISO OATT.

8.0 For an Interconnection Customer with a Cluster Study Project which interconnection impacts an External Affected System, the Interconnection Customer shall be responsible for satisfying any NYISO and External Affected System Operator requirements, including Interconnection Customer's cost responsibility, concerning the assessment of such impacts on the External Affected System and its responsibility for any required Affected System Network Upgrades.

9.0 Interconnection Customer shall be responsible for the actual costs incurred, as applicable by NYISO, Connecting Transmission Owner, Affected Transmission Owner(s)/Affected System, and any third-party contractors for the Cluster Study Process, as computed on a time and materials basis in accordance with the rates attached hereto. The ISO shall invoice the Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts to NYISO, in accordance with the requirements in Section 40.24.3 of Attachment HH to the ISO OATT. The NYISO shall continue to hold the deposits until settlement of the final invoice, including invoicing for any Withdrawal Penalties applicable to the Cluster Study Project, in accordance with the requirements in Section 40.24.3.

10.0 Miscellaneous.

10.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when they provide information to NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) under this Agreement, Interconnection Customer represents and warrants that the information it provides to NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) with any additional information needed to update information previously provided to the extent permitted under Attachment HH to the ISO OATT.

10.2 Disclaimer of Warranty. In preparing the components of the Cluster Study, the Party preparing such study component and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing a component of the Cluster Study nor any subcontractor consultant employed by that Party makes any

warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of its component of the Cluster Study. Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

10.3 Limitation of Liability. The NYISO, Connecting Transmission Owner, Affected Transmission Owner(s)/Affected System Owner(s), or any subcontractor consultants engaged by the party shall not be liable for direct damages, including money damages or other compensation, for its actions or omissions in performing its obligations under this Agreement, except to the extent its act or omission is found to result from its gross negligence or willful misconduct. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Cluster Study or any reliance on the Cluster Study, including any of its components, by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement, except as otherwise set forth in Attachment HH to the ISO OATT.

10.4 Third-Party Beneficiaries. Without limitation of Sections 10.2 and 10.3 of this Agreement, Interconnection Customer further agrees that subcontractor consultants employed by NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) to conduct or review, or to assist in the conducting or reviewing, a component of the Cluster Study shall be deemed third party beneficiaries of these Sections 10.2 and 10.3.

10.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 10.5, shall continue in effect until the later of: (i) the completion of the Final Decision Round for the later of the Final Decision Period at the conclusion of the Phase 2 Study or the Additional SDU Study Decision Period, (ii) the ISO's receipt of final invoices from an External Affected System Operator concerning the External Affected System Operator's assessment, if applicable, of the impact of the Cluster Study Project on the External Affected System, and (iii) the final reconciliation of any payments, deposits, and Withdrawal Penalties concerning the Cluster Study Project in accordance with the requirements in Attachment HH to the ISO OATT. Interconnection Customer or NYISO may terminate this Agreement upon the later of (i) the withdrawal of the Interconnection Customer's project from the NYISO's Queue pursuant to Section 40.6.4 of Attachment HH, and (ii) the final reconciliation of any payments, deposits, and Withdrawal Penalties in accordance with the requirements in Attachment HH to the ISO OATT.

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

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

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

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

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

10.11 Independent Contractor. NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) shall at all times be deemed to be independent contractors and none of their employees or the employees of their subcontractors shall be considered to be employees of the other Parties or the Interconnection Customer as a result of this Agreement.

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

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

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

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

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

By: _____

Title: _____

Date: _____

40.25.4 APPENDIX 4 TO ATTACHMENT HH

PRE-APPLICATION REQUEST FORM

1. Instructions

Pursuant to Section 40.4.2 of Attachment HH to the NYISO Open Access Transmission Tariff, a prospective Interconnection Customer ("Requestor") may request a Pre-Application Report from the NYISO regarding the proposed interconnection of a Generating Facility or Cluster Study Transmission Project at a particular point on the New York State Transmission System or Distribution System. To request a Pre-Application Report, Requestor must complete and execute this request form and submit the form to the NYISO via the NYISO Interconnection Projects Portal, along with submitting a non-refundable fee of $5,000 for each Point of Interconnection (POI). Requestor must provide a substantive answer to each of the questions in this request form and should not specify that the requested information is "to be determined" or "not available." Requestor should direct any questions regarding the requested information and the completion of this form to:

Designated Contact Person:	Stakeholder Services IP Support Team
Telephone Number:	518-356-6060, Option#2
E-Mail Address:	stakeholder_services_ipsupport@nyiso.com

Requestor shall submit the fee electronically via wire transfer. Wiring instructions are provided in the NYISO Interconnection Projects Portal.

Upon its confirmation of a completed request form and its receipt of the required fee, the NYISO will send the request form to the relevant Connecting Transmission Owner for completion of the Pre-Application Report in the form set forth in Appendix A to this request form. The Connecting Transmission Owner shall complete this report to the extent readily available data exists. If the ISO, in consultation with the relevant Connecting Transmission Owner, determines that the interconnection, as proposed, does not appear to be subject to the NYISO's interconnection procedures under the NYISO OATT, (1) the NYISO will inform the Requestor that its proposed interconnection is not subject to the NYISO's interconnection procedures, and (2) the Connecting Transmission Owner will provide the Requestor with the Pre-Application Report set forth in Appendix A that is completed to the extent possible. The Pre-Application Report is non-binding and does not confer any rights or obligations.

Notwithstanding its request for a Pre-Application Report, a Requestor must still successfully complete the interconnection requirements set forth in Attachment HH to the NYISO OATT to interconnect to the New York State Transmission System or Distribution System, to the extent that the NYISO OATT is applicable to the proposed interconnection.

2. Project Overview

Project Name:		
Requestor:	Name:	
	Address:	
Contact Person:	Name:	
	Email:	
	Phone #:	
Project Type	(*e.g.*, generation, transmission, combined resource)	
Energy Source(s):	(e.g, solar, wind, energy storage, etc.)	
Nameplate Size:	MW:	MVA:

For storage facility:

Capacity (MWh):	
Max Charging (MWh/hr):	
Max Discharging (MWh/hr):	
Max aggregate injection (hybrid) (MWh/hr):	

If combined resource, will storage charge from grid? (Yes/No): _____

Estimated Initial Backfeed Date: _____

3. Proposed POI(s) and Project Location:

Connecting Transmission Owner (CTO), if known:

_____

Affected Transmission Owner(s), if known:

_____

a. Primary POI

Station Name:	
Line Name:	

POI Location (Decimal Lat / Long): _____
Expected POI Voltage (34.5 kV, 115 kV, etc): _____

☐ Conceptual or Breaker Level One Line Diagram Provided

b. Secondary POI

Station Name:	
Line Name:	

POI Location (Decimal Lat / Long): _____
Expected POI Voltage (34.5 kV, 115 kV, etc): _____

☐ Conceptual or Breaker Level One Line Diagram Provided

c. Project Location:

☐ Map identifying the location of project in relation to proposed POI(s) (*e.g.*, preliminary general layout, property boundaries, etc.)

4. New or Existing Service:

New Service Requested (yes or no): _____

If No, and there is existing service, provide:

Customer Account Number: _____

Site Load:

	Minimum (kW)	**Maximum (kW)**
Current		
Proposed		

If known, will the facility be used for the following:

☐ Net Metering
☐ To supply power only to the Requestor
☐ To supply power to others through wholesale sales over the New York State Transmission System or Distribution System.

5. Additional Information:

☐ Is the project an uprate to a project in the current Queue or an existing facility.

If yes, provide description:

_____
_____
_____
_____

Additional Information or Comments:

_____
_____

6. Requestor Signature

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

Requestor:_____ Date:_____

APPENDIX A
PRE-APPLICATION REPORT

This Pre-Application Report has been completed based on readily available data. The information provided is preliminary and non-binding and does not confer any rights on the part of the Requestor or obligations on the part of the Connecting Transmission Owner. Information is provided based on applicability to the proposed Point(s) of Interconnection ("POI(s)").

1. Project

This Pre-Application Report is for the following proposed project:

_____

_____

2. Proposed Primary POI

a. Transmission or Distribution Line

Line Name	Utility Line Id Number	Bus Numbers and Circuit Id Number (PSS/e From/To)	Voltage (kV)

☐ FERC Jurisdictional Distribution ☐ Networked ☐ Radial

Ratings (MVA):

	Normal	LTE	STE
Summer			
Winter			

Terminal End Stations:

Name	Distance to POI (miles)

For a Generation Facility or Cluster Study Transmission Project and sub-transmission or distribution POIs:

Circuit Loading (MW):

Peak	
Minimum	

Generation (MW):

Existing	
Proposed	

Additional information (*e.g.*, potential new substation bus configuration, transmission constraints, planned transmission upgrades, parallel lines, breaker rating, existing/known constraints):

b. Substation

Name	PSS/e Bus Number	Voltage (kV)

☐ FERC Jurisdictional Distribution

Substation Connected Line Ratings (MVA):

Line Information		Summer			Winter		
Line Name	**Utility Line Id Number**	**Normal**	**LTE**	**STE**	**Normal**	**LTE**	**STE**

For a Generation Facility or Cluster Study Transmission Project and sub-transmission or distribution POIs:

Customer Load (MW):

Peak	

Minimum	

Generation (MW):

Existing	
Proposed	

Additional information (*e.g.*, known physical feasibility issues, available breaker positions; planned transmission upgrades, breaker rating, existing/known constraints):

3. Proposed Secondary POI

a. Transmission or Distribution Line

Line Name	Utility Line Id Number	Bus Numbers and Circuit Id Number (PSS/e From/To)	Voltage (kV)

☐ FERC Jurisdictional Distribution ☐ Networked ☐ Radial

Ratings (MVA):

	Normal	LTE	STE
Summer			
Winter			

Terminal End Stations:

Name	PSS/e Bus Number	Distance to POI (miles)

For a Generation Facility or Cluster Study Transmission Project and sub-transmission or distribution POIs:

Circuit Loading (MW):

Peak	

Minimum	

Generation (MW):

Existing	
Proposed	

Additional information (*e.g.*, potential new substation bus configuration, transmission constraints, planned transmission upgrades, parallel lines, breaker rating, existing/known constraints):

b. Substation

Name	PSS/e Bus Number	Voltage (kV)

☐ FERC Jurisdictional

Substation Connected Line Ratings (MVA):

Line Information		Summer			Winter		
Line Name	**Utility Line Id Number**	**Normal**	**LTE**	**STE**	**Normal**	**LTE**	**STE**

For a Generation Facility or Cluster Study Transmission Project and sub-transmission or distribution POIs:

Customer Load (MW):

Peak	
Minimum	

Generation (MW):

Existing	
Proposed	

Additional information (*e.g.*, known physical feasibility issues, available breaker positions, planned transmission upgrades breaker rating, existing/known constraints):

40.25.5 APPENDIX 5 TO ATTACHMENT HH

FACILITY MODIFICATION REQUEST

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

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

   Project/Facility Name: _____

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

   ___ Change in Project name

   ___ Change in Interconnection Customer name

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

   ___ Change in Electric Output (MW) of the Facility

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

   ___ Modification to Interconnection Configuration

   ___ Technological Change or Advancement

   ___ Extension of Commercial Operation Date

   ___ Other Modification Not Listed Above

4. Description of proposed modification:

_____

_____

_____

_____

5. Submit a $10,000 study deposit (except for a requested modification for a project name change, Interconnection Customer name change, change to Point of Interconnection pursuant to Section 40.6.3.1 of Attachment HH, or a permitted extension of a Commercial Operation Date pursuant to Section 40.6.3.4 of Attachment HH).

6. Attach a revised conceptual breaker one-line diagram and a project location geo map, as applicable, including for a proposed change to a Point of Interconnection.

7. If the modification is a decrease in the facility capacity or requested interconnection service, provide an explanation for the decrease, including a description of the injection-limiting equipment with all the necessary parameters of such equipment, as applicable:

_____

_____

_____

_____

_____

8. Proposed modification to an Interconnection Request due to a technological advancement, which includes advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request

   a. If the modification is due to a technological advancement to the technology originally proposed, detail the proposed configuration of the technological advancement and the manner of installation:

_____

_____

_____

_____

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

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

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

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

_____

_____

_____

_____

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

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

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

c. For a proposed change four (4) years or more beyond the date for extending the Commercial Operation Date permitted by Section 40.6.3.4 to Attachment HH), Interconnection Customer shall indicate that it is requesting an extension (by checking):

____ on or before May 2, 2028;

____ due to its technology type;

____ due to the sequencing of work on the transmission or distribution system that is beyond its control; or

____ through demonstration of reasonable progress.

The Interconnection Customer shall attach, if applicable, an officer certification and supporting documentation making the demonstrations required in Section 40.6.3.5.1.2 or 40.6.3.5.1.3 of Attachment HH to the OATT for its requested extension.

The Interconnection Customer shall also attach the milestone schedule agreed upon with the Connecting Transmission Owner that meets the requested extended Commercial Operation Date.

10. As it relates to the requested modification of an Interconnection Request or an existing facility, provide any updates to data required in the Interconnection Request – "Detailed Generating Facility Data" or provided during completed stages of the interconnection study process.

_____

_____

_____

Attach modeling data files[1]:

- Power flow model
- Short circuit model
- Dynamic model

11. The NYISO, in consultation with the Connecting Transmission Owner(s), may request additional information, if necessary, to further assess the proposed modification.

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

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

These terms and conditions for the review and/or study of a request to modify a proposed Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project or a material modification to an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project consistent with the Interconnection Request dated _____ ("Studies"), including any project modifications reviewed and approved by the NYISO, ("the Project") and submitted by _____ _____, a _____ organized and existing under the laws of the State of _____ ("Interconnection Customer"), set forth the respective obligations between Interconnection Customer and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO") (hereinafter the "Terms and Conditions"). By signing below, Interconnection Customer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

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

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

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

1.0 When used in these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT.

2.0 Interconnection Customer requests NYISO to evaluate whether the proposed modification would constitute a Material Modification and/or a Permissible Technical Advancement, as applicable, and if an additional study(ies) is required pursuant to Section 40.6.3.2 and/or Section 40.6.3.7 of Attachment HH to the OATT, NYISO shall perform, or cause to be performed, a study(ies) consistent with Attachment HH to the OATT.

3.0 The scope of the study(ies) shall be subject to the description and assumptions set forth in the Facility Modification Request and the data contained therein or provided upon the request of the NYISO.

4.0 For requested modifications other than a technological advancement, the NYISO shall

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

5.0 Interconnection Customer shall provide a deposit of $10,000 with the Facility Modification Request, except for a requested modification for a project name change, Interconnection Customer name change, change to Point of Interconnection pursuant to Section 40.6.3.1 of Attachment HH, or a permitted extension of a Commercial Operation Date pursuant to Section 40.6.3.4 of Attachment HH.

6.0 Interconnection Customer shall be responsible for the actual costs incurred by NYISO and any subcontractor hired to perform study work, as computed on a time and materials basis in accordance with the rates provided to the Interconnection Customer at the time that the NYISO notifies the Interconnection Customer that a study(ies) is required to complete its Facility Modification Request. The ISO shall invoice the Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts, in accordance with the requirements in Section 40.24.3 of Attachment HH to the ISO OATT. NYISO shall continue to hold any amounts on deposit, if applicable, until settlement of the final invoice in accordance with the requirements in Section 40.24.3 of Attachment HH.

7.0 Miscellaneous.

7.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, Interconnection Customer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the ISO OATT.

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

7.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall NYISO or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with these Terms and Conditions or the Studies performed or any reliance on the Studies by Interconnection Customer or third parties, even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and Conditions, except as otherwise set forth in Attachment HH to the ISO OATT.

7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 under these Terms and Conditions, Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the study(ies) requested under the Facility Modification Request shall be deemed third-party beneficiaries of these Sections 7.2 and 7.3 under these Terms and Conditions.

7.5 Term and Termination. The obligations to conduct the Studies and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the Study(ies) is completed or Interconnection Customer provides a written request to withdraw its Facility Modification Request. Interconnection Customer or NYISO also may terminate their obligations under these Terms and Conditions upon the withdrawal of Interconnection Customer's Interconnection Request under Section 40.6.4 of Attachment HH.

7.6 Governing Law. These Terms and Conditions and any study performed thereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

7.7 Severability. In the event that any part of these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.

7.8 Amendment. No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by Interconnection Customer and NYISO hereto.

7.9 Survival. All warranties, limitations of liability, and confidentiality provisions

provided herein shall survive the expiration or termination hereof.

7.10 Independent Contractor. Interconnection Customer agrees that NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Interconnection Customer as a result of performing any work under these Terms and Conditions.

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

7.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of Interconnection Customer and NYISO and their respective successors and assigns.

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

_____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

40.25.6 APPENDIX 6 to ATTACHMENT HH

TWO-PARTY AFFECTED SYSTEM STUDY AGREEMENT

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

RECITALS

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

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

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

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

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

1.0 When used in this Agreement, with initial capitalization, the terms specified, but not otherwise defined herein, shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT, or if not defined therein, in the ISO OATT.

2.0 Affected System Interconnection Customer requests, and the NYISO shall perform or cause to be performed an Affected System Study, and any required re-study, in accordance with the requirements in Section 40.8.3 of Attachment HH to the ISO OATT. The terms of Section 40.8.3 of Attachment HH to the ISO OATT are hereby incorporated herein by reference, as such OATT requirements may be amended from time to time.

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

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

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

6.0 Study Deposit and Study Costs

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

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

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

8.0 Miscellaneous.

8.1 Accuracy of Information. Except as Affected System Interconnection Customer may otherwise specify in writing when it provides information to the NYISO under this Agreement, Affected System Interconnection Customer represents and warrants that to the best of its knowledge and belief the information it has provided or subsequently provides to the NYISO is and shall be accurate and complete as of the date the information is provided. Affected System Interconnection Customer shall promptly provide the NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the ISO OATT.

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

8.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall either Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Affected System Study or re-study or any reliance on the Affected System Study or re-study by either Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall either Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement, except as otherwise indicated in Attachment HH to the ISO OATT.

8.4 Third-Party Beneficiaries. Without limitation of Sections 8.2 and 8.3 of this Agreement, Affected System Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the Affected System Study or re-study of the Interconnection Request shall be deemed third party beneficiaries of these Sections 8.2 and 8.3.

8.5 Term and Termination. This Agreement shall be effective from the date hereof and, unless earlier terminated in accordance with this Section 8.5, shall continue in effect until the later of: (i) the Affected System Study and re-study and the final iterative decision period is completed and (ii) the Affected System Interconnection Customer makes its final payment under this Agreement and is refunded any remaining portion of its study deposit. The Affected System Interconnection Customer or NYISO may terminate this Agreement upon the withdrawal of the Affected System Interconnection Customer's Queue Position from the NYISO Queue or upon the ISO's receipt of notice that the Affected System Interconnection Customer's project has been withdrawn from the region in which it proposes to interconnect.

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

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

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

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

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

8.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of the Affected System Interconnection Customer as a result of this Agreement.

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

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

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

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Affected System Interconnection Customer]

By: _____

Title: _____

Date: _____

Queue Position No. ____

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

ASSUMPTIONS USED IN CONDUCTING THE AFFECTED SYSTEM STUDY

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

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

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

RATES USED FOR CONDUCTING THE AFFECTED SYSTEM STUDY

[Rates to be inserted by ISO.]

40.25.7 APPENDIX 7 to ATTACHMENT HH

MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT

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

THIS AGREEMENT ("Agreement") is made and entered into this ___ day of _____, 20___, by and among _____, a _____ organized and existing under the laws of the State of _____ ("Affected System Interconnection Customer"); _____, a _____ organized and existing under the laws of the State of___ _____ ("Affected System Interconnection Customer"); and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"). Affected System Interconnection Customers and NYISO each may be referred to as a "Party," or collectively as the "Parties." Except as otherwise indicated in this Agreement, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as the "Affected System Interconnection Customers."

RECITALS

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

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

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

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

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

1.0 When used in this Agreement, with initial capitalization, the terms specified, but not otherwise defined herein, shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT, or if not defined therein, in the ISO OATT.

2.0 Affected System Interconnection Customers request, and the NYISO shall perform or cause to be performed an Affected System Study, and any required re-study, in accordance with the requirements in Section 40.8.3 of Attachment HH to the ISO OATT. The terms of Section 40.8.3 of Attachment HH to the ISO OATT are hereby incorporated herein by reference, as such OATT requirements may be amended from time to time.

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

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

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

6.0 Study Deposit and Study Costs

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

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

7.0 Upon completion of the Affected System Study, the NYISO will deliver the Affected System Study Report to the Affected System Interconnection Customers and [*name of*

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

8.0 Miscellaneous.

8.1 Accuracy of Information. Except as an Affected System Interconnection Customer may otherwise specify in writing when it provides information to the NYISO under this Agreement, Affected System Interconnection Customer represents and warrants that to the best of its knowledge and belief the information it has provided or subsequently provides to the NYISO is and shall be accurate and complete as of the date the information is provided. Affected System Interconnection Customers shall promptly provide the NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the NYISO OATT.

8.2 Disclaimer of Warranty. In performing the Affected System Study or re-study, the NYISO and any subcontractor consultants engaged by the NYISO will have to rely on information provided by Affected System Interconnection Customers, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the NYISO nor any subcontractor consultant engaged by the NYISO makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Affected System Study or re-study. Each Affected System Interconnection Customer acknowledge that it has not relied on any representations or warranties by the NYISO or its subcontractor consultants not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

8.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall either Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Affected System Study or re-study or any reliance on the Affected System Study or re-study by either Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall either Party or its

subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement, except as otherwise indicated in Attachment HH to the ISO OATT.

8.4 Third-Party Beneficiaries. Without limitation of Sections 8.2 and 8.3 of this Agreement, Affected System Interconnection Customers further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the Affected System Study or restudy of the Interconnection Request shall be deemed third party beneficiaries of these Sections 8.2 and 8.3.

8.5 Term and Termination. This Agreement shall be effective from the date hereof and, unless earlier terminated in accordance with this Section 8.5, shall continue in effect until the later of: (i) the Affected System Study and any re-study and the final iterative decision period is completed and (ii) the Affected System Interconnection Customers make the final payment under this Agreement and are refunded any remaining portion of its study deposit. The Affected System Interconnection Customer or NYISO may terminate this Agreement upon the withdrawal of the Affected System Interconnection Customers' Queue Position from the NYISO Queue or upon the ISO's receipt of notice that the Affected System Interconnection Customers' projects have been withdrawn from the region in which it proposes to interconnect.

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

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

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

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

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

8.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of the Affected System Interconnection Customers as a result of this Agreement.

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

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

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

New York Independent System Operator, Inc.
By: _____
Title: _____
Date: _____ _____

[Insert name of Affected System Interconnection Customer]
By: _____
Title: _____
Date: _____
Queue Position No. ____

[Insert name of Affected System Interconnection Customer]
By: _____
Title: _____
Date: _____
Queue Position No. ____

Attachment A to Appendix 7
Multiparty Affected System Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE MULTIPARTY AFFECTED SYSTEM STUDY

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

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

Attachment B to Appendix 7
Multiparty Affected System Study Agreement

RATES USED FOR CONDUCTINGTHE AFFECTED SYSTEM STUDY

[Rates to be inserted by ISO.]

40.25.8 APPENDIX 8 TO ATTACHMENT HH

EXPEDITED DELIVERABILITY STUDY AGREEMENT

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

RECITALS

WHEREAS, Interconnection Customer is proposing to develop or owns an existing or facility requesting Capacity Resource Interconnection Service ("CRIS"); and

WHEREAS, the NYISO has confirmed that the Interconnection Customer has satisfied the eligibility requirements for entering an Expedited Deliverability Study; and

WHEREAS, Interconnection Customer has elected to enter an Expedited Deliverability Study in order to obtain or increase CRIS pursuant to Attachment HH to the NYISO's Open Access Transmission Tariff ("OATT"), as applicable.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT.

2.0 Interconnection Customer elects to be evaluated for CRIS and NYISO shall cause to be performed an Expedited Deliverability Study consistent with Attachment HH to the ISO OATT. The terms of Attachment HH of the OATT are hereby incorporated by reference herein.

3.0 The scope of the Expedited Deliverability 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 Expedited Deliverability Study report (i) shall identify whether the facility is fully deliverable at its requested level of CRIS; and (ii) if not fully deliverable, shall determine the facility's deliverable MW.

5.0 The Interconnection Customer shall provide a deposit of $30,000 for the performance of the Expedited Deliverability Study. The time for completion of the Expedited Deliverability Study is specified in Attachment A.

6.0 Interconnection Customer shall be responsible for the actual cost incurred by NYISO and

the Connecting Transmission Owner on the Expedited Deliverability Study, as computed on a time and materials basis in accordance with the rates attached hereto. The ISO shall invoice the Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts, in accordance with the requirements in Section 40.24.3 of Attachment HH to the ISO OATT. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice in accordance with the requirements in Section 40.24.3.

7.0 Miscellaneous.

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

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

7.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Expedited Deliverability Study or any reliance on the Expedited Deliverability Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay

in performance of its obligations under this Agreement, except as otherwise set forth in Attachment HH to the ISO OATT.

7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Interconnection Customer and Connecting Transmission Owner further agree that subcontractor consultants employed by NYISO to conduct or review, or to assist in the conducting or reviewing, an Expedited Deliverability Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.

7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect until the Expedited Deliverability Study is completed and approved by the NYISO Operating Committee. Interconnection Customer or NYISO may terminate this Agreement upon the later of (i) the withdrawal of the Interconnection Customer's Interconnection Request from the NYISO Queue, as applicable, or upon the Interconnection Customer's withdrawal of its request to be evaluated in the Expedited Deliverability Study, and (ii) the final reconciliation of any payments and deposits concerning the Expedited Deliverability Study in accordance with the requirements in Attachment HH to the ISO OATT.

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

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

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

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

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

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

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

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

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

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

ATTACHMENT A

SCHEDULE FOR CONDUCTING THE EXPEDITED DELIVERABILITY STUDY

The NYISO and Connecting Transmission Owner shall use Reasonable Efforts to complete the study and issue an Expedited Deliverability Study report to the Interconnection Customer within the four months after of receipt of an executed copy of this Expedited Deliverability Study Agreement:

- Study work (other than data provision and study review) that may be requested of the Transmission Owner by the NYISO is currently not specified, but will be specified in a Study Work Agreement to be developed between the NYISO and Transmission Owner.

- Pursuant to Article 6.0 of this Agreement, the rates for the study work are attached as Exhibit 1.

ATTACHMENT B

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER WITH THE EXPEDITED DELIVERABILITY STUDY AGREEMENT

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

2. Specify the MW level of Capacity Resource Interconnection Service ("CRIS") requested; provided however, that CRIS requests are subject to the limits specified in Section 40.5.6.5 of Attachment HH to the ISO OATT.

   Evaluation election (MW of requested CRIS) at POI: _____

   If the Facility will consist of multiple units, specify the requested allocation of the above MW level of requested CRIS:

   - I f requesting CRIS for a multi-unit Facility, specify the requested CRIS for each Generator: _____

     For a Resource with Energy Duration Limitations that is requesting CRIS, indicate the maximum injection capability over the selected duration (*e.g.*, 10 MWh over 4 hours): _____

3. Proposed Schedule:

   Begin Construction Date: _____

   Initial Backfeed Date Date: _____

   Synchronization Date Date: _____

   Generation Testing Date: _____

   Commercial Operation Date Date: _____

4. **Additional Information Required as Part of this Data Form:**

   Nameplate MW: _____

   Nameplate MVA: _____

   Auxiliary Load: _____

   For temperature sensitive units, provide MW vs. temp curves and indicate

maximum summer and winter net capability below:

- Maximum summer net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 90 degrees F: _____
- Maximum winter net (net MW = gross MW minus auxiliary loads total MW) which can be achieved at 10 degrees F: _____

5. Describe any injection-limiting equipment if the facility's existing or requested ERIS is below its full output:

_____

_____

_____

6. In addition to the above information, as applicable, for BTM:NG Resources, please also provide the following information:

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

   Existing load? Yes ___ No___

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

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

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

   _____ Yes _____No Local provider: _____

40.25.9 APPENDIX 9 TO ATTACHMENT HH

ALLOCATION OF OVERAGE COST

An Example of the Allocation of Overage Cost Among Interconnection Customers for Cluster Study Projects, in accordance with Section 40.12.2.6 of Attachment HH:

- There are five Interconnection Customers projects in a Cluster Study.
- The Cluster Project Assessment ("CPA") determines that ten (10) System Upgrade Facilities ("SUFs") are needed to reliably interconnect the Cluster Study Projects, at a total cost of $30 million.
- The Cluster Baseline Assessment ("CBA") determines that seven (7) SUFs would be needed to meet Applicable Reliability Requirements without the Cluster Study Projects, at a total cost of $20 million. (Note: The CBA may have included some generic "projects" identical to or similar to some of the Cluster Study Projects, but not necessarily. Also, some of the SUFs identified by the CBA may be the same as those identified in the CPA, but not necessarily.)

(1) The total cost of CPA SUFs allocated to the Transmission Owners ("TOs") is equal to the total cost of the CBA SUFs ($20 million).

(2) The total cost of CPA SUFs allocated to the Interconnection Customer, the Overage Cost, is the net of the total cost of the CPA vs. CBA SUFs ($30 million - $20 million = $10 million).

(3) The ratio of the Overage Cost to the total cost of CPA SUFs, the Overage Cost Percentage, is used to compute the Interconnection Customers' cost allocations for each CPA SUF. In this example, the Overage Cost Percentage, the ratio, =

$10 million/$30 million = 1/3 (The Interconnection Customers pay 1/3 the cost of each CPA SUF). Assume the cost of one of the CPA SUFs (SUF No. 1) is $3 million. The Interconnection Customers' share of the cost of that SUF = 1/3 x $3 million = $1 million.

(4) The Interconnection Customers' share of the cost of each CPA SUF is allocated among all the Interconnection Customers that have at least a *de minimus* impact causing the need for that SUF. In this example, the CPA determines that 3 of the 5 Cluster Study Projects have at least a *de minimus* impact causing the need for SUF No. 1.

(5) The Interconnection Customers' cost of an CPA SUF is allocated to each Interconnection Customer that has at least a *de minimus* impact in accordance with the Contribution Percentage, or ratio of that Interconnection Customer's measured impact, its electrical contribution, to the sum of the measured impact of all the Interconnection Customers that have at least a *de minimus* impact.

In this example, the measured impacts of the three projects are 200, 300, and 500 amps, respectively. Thus, the pro rata shares of the projects' cost of SUF No. 1 are $200,000, $300,000, and $500,000, respectively.

40.25.10 APPENDIX 10 TO ATTACHMENT HH

CERTIFICATION CODES AND STANDARDS

- IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)
- UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems
- IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems
- NFPA 70 (2002), National Electrical Code
- IEEE Std C37.90.l-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems
- IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers
- IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers
- IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors
- IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits
- IEEE Std C62.45-l992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits
- ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)
- IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms NEMA MG 1-1998, Motors and Small Resources, Revision 3
- IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems
- NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

40.25.11 APPENDIX 11 TO ATTACHMENT HH

CERTIFICATION OF EQUIPMENT PACKAGES FOR GENERATING FACILITIES

1.0 Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if: (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in Appendix 10 to this Attachment HH, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the NRTL.

3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.

4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.

5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.

6.0 An equipment package does not include equipment provided by the utility.

7.0 Any equipment package approved and listed in a state by that state's regulatory body for interconnected operation in that state prior to the effective date of these small generator interconnection procedures shall be considered certified under these procedures for use in that state.

40.25.12 APPENDIX 12 TO ATTACHMENT HH

APPLICATION, PROCEDURES, AND TERMS AND CONDITIONS FOR INTERCONNECTING A CERTIFIED INVERTER-BASED GENERATING FACILITY NO LARGER THAN 10 KW ("10 KW INVERTER PROCESS")

1.0 The Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to the ISO. The ISO will send a copy to the Connecting Transmission Owner.

2.0 The ISO acknowledges to the Customer receipt of the Application within three Business Days of receipt.

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

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

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

6.0 The ISO notifies the Customer in writing that interconnection of the Generating Facility is authorized. If the witness test is not satisfactory, the Connecting Transmission Owner has the right to disconnect the Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Connecting Transmission Owner is obligated to complete this witness test within ten Business Days of the receipt of the Certificate of Completion, unless the Connecting Transmission Owner and Customer agree otherwise. If the Connecting Transmission Owner does not inspect within ten Business Days or by mutual agreement of the Parties, the witness test is deemed waived.

7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., the Customer). If another entity is responsible for interfacing with the ISO

and Connecting Transmission Owner, that contact information must be provided on the Application.

8.0 Ownership Information – Enter the legal names of the owner(s) of the Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.

9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation.

10.0 The ISO is available to help resolve any disputes that may arise out of the proposed interconnection, in accordance with the procedures set forth in Section 40.24.5 of Attachment HH to the ISO OATT.

APPLICATION FOR INTERCONNECTING A CERTIFIED INVERTER-BASED GENERATING FACILITY NO LARGER THAN 10KW

This Application is considered complete when it provides all applicable and correct information required below. Per Section 40.5.5.1.5 of Attachment HH, documentation of Site Control must be submitted with the Interconnection Request. Additional information to evaluate the Application may be required.

Processing Fee

A non-refundable processing fee of $100 must accompany this Application.

Interconnection Customer

Name of Interconnection Customer: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

E-Mail Address: _____

Point of Contact

Name: _____

Company: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

E-Mail Address: _____

Owner of the Facility (include % ownership by any electric utility): _____

Generating Facility Information

Location (if different from above): _____

Electric Service Company: _____

Account Number: _____

Inverter Manufacturer: _____ Model_____

Nameplate Rating: _____ (kW) _____ (kVA) _____ (AC Volts)

Single Phase _____ Three Phase_____

System Design Capacity: _____ (kW) _____ (kVA)

Customer-Site Load: _____MW (if none, so state)

Existing load? Yes ___ No___

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

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

Prime Mover: Photovoltaic ☐ Reciprocating Engine ☐ Fuel Cell ☐

Turbine ☐ Other _____

Energy Source: Solar ☐ Wind ☐ Hydro ☐ Diesel ☐ Natural Gas ☐

Fuel Oil ☐ Other (describe)_____

Is the equipment UL1741 Listed? Yes____ No ____

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date:_____ Estimated Initial Backfeed Date:_____

The 10kW Inverter Process is available only for inverter-based Generating Facilities no larger than 10kW that meet the codes, standards, and certification requirements of Appendices 10 and 11 of Attachment H to the ISO OATT, or the ISO, in consultation with the Connecting Transmission Owner, has reviewed the design or tested the proposed Generating Facility and is satisfied that it is safe to operate. If the review or testing raises safety issues, the Generating Facility will not be allowed to commence parallel operation until the issues are resolved.

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

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

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return the Certificate of Completion when the Generating Facility has been installed.

Signed: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Generating Facility

(For ISO and Connecting Transmission Owner use only)

Interconnection of the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Connecting Transmission Owner Signature:

Title: _____ Date: _____

Connecting Transmission Owner waives inspection/witness test Yes___ No___

ISO Signature: _____

Title: _____ Date: _____

Generating Facility Certificate of Completion

Is the Generating Facility owner-installed? Yes_____ No _____

Interconnection Customer:_____

Contact Person:_____

Address:_____

Location of the Generating Facility (if different from above):

_____

City:_____ State:_____ Zip Code:_____

Telephone:_____

E-Mail Address:_____

Electrician:

Name:_____

Address:_____

City:_____ State:_____ Zip Code:_____

Telephone:_____

E-Mail Address:_____

License number:_____

Date Approval to Install Facility granted by the Connecting Transmission Owner:

Inspection:

The Generating Facility has been installed and inspected in compliance with the local

building/electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

_____

Print Name:_____

Date:_____

As a condition of interconnection, you are required to send a copy of this form along with a copy of the signed electrical permit to the ISO and the Connecting Transmission Owner (insert contact information below):

Name:_____

NYISO:_____

Address:_____

_____

City, State ZIP:_____

E-mail:_____

Name:_____

Connecting Transmission Owner:_____

Address:_____

_____

City, State ZIP:_____

E-mail:_____

Approval to Energize the Generating Facility (For ISO and Connecting Transmission Owner use only)

Energizing the Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Generating Facility No Larger than 10kW

ISO Signature:_____

Title:_____ Date: _____

Connecting Transmission Owner Signature:_____

Title:_____ Date: _____

TERMS AND CONDITIONS FOR INTERCONNECTING AN INVERTER-BASED GENERATING FACILITY NO LARGER THAN 10KW ("TERMS AND CONDITIONS")

1.0 Construction of the Facility

The Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Generating Facility when the ISO approves the Interconnection Request (the "Application") and returns it to the Customer.

2.0 Interconnection and Operation

The Customer may operate Generating Facility and interconnect with the Connecting Transmission Owner's Distribution System once all of the following have occurred:

2.1 Upon completing construction, the Customer will cause the Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 The Customer returns the Certificate of Completion to the ISO and the Connecting Transmission Owner, and

2.3 The Connecting Transmission Owner has either:

2.3.1 Completed its inspection of the Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Connecting Transmission Owner, at its own expense, within ten Business Days (unless the Parties agree otherwise) after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Connecting Transmission Owner shall provide a written statement that the Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 If the Connecting Transmission Owner does not schedule an inspection of the Generating Facility within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise), unless the Interconnection Customer has not provided a reasonable opportunity for such inspection; or

2.3.3 The Connecting Transmission Owner waives the right to inspect the Generating Facility.

2.4 The Connecting Transmission Owner has the right to disconnect the Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 **Safe Operations and Maintenance**

The Customer shall be fully responsible to operate, maintain, and repair the Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 **Access**

The Connecting Transmission Owner shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Generating Facility at all times. The Connecting Transmission Owner shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 **Disconnection**

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

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Generating Facility does not operate in the manner consistent with these Terms and Conditions, the ISO OATT and Applicable Reliability Requirements.

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

6.0 **Indemnification**

The Parties shall at all times indemnify, defend, and save the other Parties harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the indemnified Party's action or inactions of its obligations under this agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.0 **Insurance**

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

8.0 **Limitation of Liability**

Each Party's liability to the other Parties for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall any Party be liable to any other Parties for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 **Termination**

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

9.1 **By the Customer**

By providing written notice to the NYISO and the Connecting Transmission Owner.

9.2 **By the ISO and the Connecting Transmission Owner**

If the Generating Facility fails to operate for any consecutive 12 month period or the Customer fails to remedy a violation of these Terms and Conditions.

9.3 **Permanent Disconnection**

In the event this Agreement is terminated, the Connecting Transmission Owner shall have the right to disconnect its facilities or direct the Customer to disconnect its Generating Facility.

9.4 **Survival Rights**

This Agreement shall continue in effect after termination to the extent necessary to allow or require any Party to fulfill rights or obligations that arose under the Agreement.

10.0 **Assignment/Transfer of Ownership of the Generating Facility**

This Agreement shall survive the transfer of ownership of the Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the NYISO and the Connecting Transmission Owner.

Interconnection Customer:	Connecting Transmission Owner:
_____	_____
By: _____	By: _____
Name: _____	Name: _____
Date: _____	Date: _____

New York Independent System Operator, Inc.

_____

By: _____

Name: _____

Date: _____

40.25.13 APPENDIX 13 TO ATTACHMENT HH

FAST TRACK REQUEST

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

A. Preamble and Instructions

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

B. Processing Fee or Deposit:

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

C. Interconnection Customer Information

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

Name of Interconnection Customer:_____

Contact Person:_____

Mailing Address:_____

City:_____ State:_____ Zip:_____

Facility Location (if different from above):_____

Telephone :_____

E-Mail Address:_____

Additional Contact Information

Contact Name:_____

Title:_____

Address:_____

_____

Telephone:_____

E-Mail Address:_____

D. Application Information

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

Net Metering? Yes ___ No___

To Supply Power to the Interconnection Customer? Yes ___ No___

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

Transmission System or Distribution System? Yes ___ No___

To Supply Power to a Host Load? Yes ___ No___

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

_____ _____

(Local Electric Service Provider) (Existing Account Number)

Local Electric Service Provider Contact Name:_____

Title:_____

Address:_____

Telephone:_____

E-Mail Address:_____

Project Name:_____

Project Description: _____

Requested Point of Interconnection:_____

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

_____

Interconnection Customer's Proposed Initial Backfeed Date:_____

Interconnection Customer's Proposed Synchronization Date:_____

Interconnection Customer's Proposed Commercial Operation Date:_____

E. Generating Facility Information

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

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

_____

_____

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

_____

_____

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

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

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

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

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

Existing load? Yes ___ No___

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

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

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

_____ Yes _____No Local provider: _____

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

Equipment Type	Certifying Entity
_____	_____

Generator (or solar collector)

Manufacturer, Model Name & Number:_____

Version Number:_____

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

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

Individual Generator Reactive Capability in kVAR

Leading: _____ Lagging: _____

If wind, total number of generators in wind farm to be interconnected pursuant to this Interconnection Request: _____

Generator Height: _____ ___Single phase ___Three Phase

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

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

_____

Energy storage capability (MWh): _____

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

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

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

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

Primary frequency response operating range for electric storage resource:

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

If wind, total number of generators in wind farm to be interconnected pursuant to this Interconnection Request: _____

Generator Height: Single phase_____Three Phase_____

If an Energy Storage Resource:

Inverter manufacturer, model name, number, and version:

Energy storage capability (MWh):

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

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

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

Maximum sustained four-hour injection in MW hours:

Primary frequency response operating range for electric storage resource: _____

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

F. Additional Information

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

- I
  s One-Line Diagram Enclosed? ____ Yes ____ No

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

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

G. Applicant Signature

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

For Interconnection Customer:

By (signature): _____

Name (type or print): _____

Title: _____

Company: _____

Date: _____

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

These terms and conditions for the study of a Generating Facility in the Fast Track Process proposed in the Fast Track Request dated _____("the Project") and submitted by _____, a _____ organized and existing under the laws of the State of _____ ("Interconnection Customer") sets forth the respective obligations between Interconnection Customer and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO") (hereinafter the "Terms and Conditions"). By signing below, Interconnection Customer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

WHEREAS, the Interconnection Customer is proposing the Project; and

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

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

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

1.0 When used in under these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings specified in Section 40.1 of the Standard Interconnection Procedures in Attachment HH to the NYISO Open Access Transmission Tariff ("OATT").

2.0 The Interconnection Customer shall elect and NYISO shall cause to be performed, an assessment of the Project in the Fast Track Process, including any supplemental review agreed upon by Interconnection Customer, in accordance with the requirement in Section 40.23 of Attachment HH to the ISO OATT ("Study"). The terms of Attachment HH to the ISO OATT, as applicable, are incorporated by reference herein.

3.0 The NYISO's assessment of the Project in accordance with the Fast Track Process requirements in Section 40.23 of Attachment HH to the ISO OATT in connection with the Fast Track Request and these Terms and Conditions will be based on the technical information provided by the Interconnection Customer in the Fast Track Request. NYISO reserves the right to request additional information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of its assessment. If the Interconnection Customer modifies its designated Point of Interconnection, the Fast Track Request, or the technical information

provided in the Interconnection Request, the time to complete the Study may be extended.

4.0 The NYISO shall perform the Fast Track Process assessment of the Project, including any supplemental review agreed upon by Interconnection Customer, in accordance with the requirements in Section 40.23 of Attachment HH to the ISO OATT.

5.0 The Interconnection Customer shall provide NYISO with a $500 application fee for its performance of the Fast Track Process assessment. For purposes of any supplemental review, Interconnection Customer shall provide the NYISO with a deposit in accordance with the requirements in Section 40.23.4 of Attachment HH to the ISO OATT.

6.0 For purposes of any supplemental review agreed upon by Interconnection Customer, Interconnection Customer shall be responsible for the actual costs incurred by NYISO and any subcontractor hired to perform study work, as computed on a time and materials basis in accordance with the rates provided to the Interconnection Customer upon its agreement for the supplemental review. The ISO shall invoice Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts, in accordance with the requirements in Section 40.24.3 of Attachment HH to the ISO OATT. The NYISO shall continue to hold any amounts on deposit, if applicable, until settlement of the final invoice in accordance with the requirements in Section 40.24.3 of Attachment HH.

7.0 Miscellaneous.

7.1 Accuracy of Information. Except as the Interconnection Customer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, the Interconnection Customer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. The Interconnection Customer shall promptly provide NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the ISO OATT.

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

7.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall NYISO or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with these Terms and Conditions or the Study performed or any reliance on the Study by the Interconnection Customer or third parties, even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and Conditions, except as otherwise set forth in Attachment HH to the ISO OATT.

7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 under these Terms and Conditions, the Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing of, one or more of the Studies requested under the Interconnection Request shall be deemed third-party beneficiaries of these Sections 7.2 and 7.3 under these Terms and Conditions.

7.5 Term and Termination. The obligations to conduct the Study and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the later of: (i) the Study is completed in accordance with the requirements in Section 40.23 of Attachment HH to the ISO OATT and (ii) the Interconnection Customer makes the final payment under this Agreement and is refunded any remaining portion of its study deposit. The Interconnection Customer or NYISO may terminate their obligations under these Terms and Agreement upon the withdrawal of the Interconnection Customer's Fast Track Request under the Standard Interconnection Procedures.

7.6 Governing Law. These Terms and Conditions and any study performed thereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

7.7 Severability. In the event that any part of these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.

7.8 Amendment. No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by the Interconnection Customer and NYISO hereto.

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

7.10 Independent Contractor. Interconnection Customer agrees that NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of the Interconnection Customer as a result of performing any work under these Terms and Conditions.

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

7.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Interconnection Customer and NYISO and their respective successors and assigns.

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

_____

[Insert name of Interconnection Customer]

By: _____

Title: _____

40.25.14 APPENDIX 14 TO ATTACHMENT HH – RESERVED

40.25.15 APPENDIX 15 TO ATTACHMENT HH

STANDARD INTERCONNECTION AGREEMENT

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

SERVICE AGREEMENT NO. [●]

SERVICE AGREEMENT NO. [●]

STANDARD INTERCONNECTION AGREEMENT

AMONG THE

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

AND

[INSERT CONNECTING TRANSMISSION OWNER]

AND

[INSERT INTERCONNECTION CUSTOMER]

Dated as of *[insert execution date]*

Facility Project Name: *[insert project name]*

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

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STANDARD INTERCONNECTION AGREEMENT

THIS STANDARD INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of _____ 20__, by and among: (i) _____, a [corporate description] organized and existing under the laws of the State/Commonwealth of_____ ("Interconnection Customer" with a Facility), (ii) the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and (iii) _____ a [corporate description] organized and existing under the laws of the State of New York ("Connecting Transmission Owner"). Interconnection Customer, the NYISO, or Connecting Transmission Owner each may be referred to as a "Party" or collectively referred to as the "Parties."

RECITALS

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

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

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

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

ARTICLE 1. DEFINITIONS

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

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

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

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the

ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachment P, Attachment X, Attachment S, or Attachment HH to the ISO OATT.

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

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

Applicable Reliability Councils shall mean the Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which the Interconnection Customer's Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

Applicable Reliability Requirements: shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section 40.12.1.2 of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

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

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

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

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies or Cluster Study by the NYISO, Connecting Transmission Owner or Interconnection Customer; as described, as applicable, in Section 30.2.3 of the Standard Large Facility Interconnection Procedures or Section 40.2.6 of the Standard Interconnection Procedures.

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

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

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

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

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

Class Year Interconnection Facilities Study ("Class Year Study") shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

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

Cluster shall mean a group of one or more Projects with validated Interconnection Requests that are studied together for the purpose of conducting a Cluster Study**.**

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

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

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

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

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

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to this Agreement. For purposes of this Agreement, the Connecting Transmission Owner is set forth in the preamble of this Agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IRS shall mean the Internal Revenue Service.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Site Control shall mean the necessary land right sufficient to develop, construct, operate, and maintain the Facility over a term of at least ten (10) years from the date of submission of the Interconnection Request. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to occupy a site of sufficient size to construct and operate the Facility. The term "necessary land right" restricts the use of the site for mutually exclusive projects, but does not restrict multi-use applications of the site in addition to its use for the Facility, such as agriculture, ranching, etc. The ISO will maintain acreage requirements and other applicable parameters for each facility type on its OASIS or public website.

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. The ISO, the Connecting Transmission Owner, and the Interconnection Customer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Interconnection Agreement. If the ISO, the Connecting Transmission Owner, and the Interconnection Customer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, the ISO and the Connecting Transmission Owner must provide the Interconnection Customer a written technical explanation outlining why the ISO and the Connecting Transmission Owner do not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) Business Days of its determination.

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

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

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

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

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

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

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

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

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system, including

such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

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

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date.

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

2.2 Term of Agreement.

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

2.3 Termination.

2.3.1 Written Notice.

This Agreement may be terminated:

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

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

2.3.2 Default.

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

2.3.3 Compliance.

Notwithstanding Articles 2.3.1 and 2.3.2, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to

such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

2.4 Termination Costs.

If a Party elects to terminate this Agreement pursuant to Article 2.3.1 above, the terminating Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, that are the responsibility of the terminating Party under this Agreement. In the event of termination by a Party, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

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

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

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

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

2.5 Disconnection.

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

2.6 Survival.

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

ARTICLE 3. REGULATORY FILINGS

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

ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE

4.1 Provision of Service.

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

4.1.1 Product.

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

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

If the Agreement, including a Provisional Standard Interconnection Agreement, is executed prior to the completion of, as applicable, the Class Year Study or Cluster Study for the

Facility, Interconnection Customer shall, as applicable: (i) in the Class Year Study decision process accept the Project Cost Allocation and post Security for any System Upgrade Facilities that are identified for the Facility and cost allocated in the Class Year Study, or (ii) in the Cluster Study decision process accept the Project Cost Allocation and post Security for any Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and Distribution Upgrades that are identified for the Facility and cost allocated in the Cluster Study. Interconnection Customer must accept such cost allocation and post the required Security even if the Project Cost Allocation exceeds the estimate included in this Agreement and includes equipment not identified in the Agreement. Unless Interconnection Customer otherwise obtains CRIS in accordance with the requirements in Attachments S or HH to the OATT, Interconnection Customer cannot participate as an Installed Capacity Supplier until after, as applicable, the Class Year Study or Cluster Study is completed and (1) the project is deemed deliverable and Interconnection Customer accepts its Deliverable MWs, or (2) the Interconnection Customer accepts its Project Cost Allocation and posts Security for any required System Deliverability Upgrades. If the upgrades or cost estimates identified in the Class Year Study or Cluster Study or otherwise determined in accordance with Attachments S or HH differ from the amounts and description in this Agreement, the Parties shall amend the Agreement, pursuant to Articles 29.11 and 29.12 of this Agreement, to reflect the results of, as applicable, the Class Year Study or Cluster Study.

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

4.2 No Transmission Delivery Service.

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

4.3 No Other Services.

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

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options.

Unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner, Interconnection Customer shall select the Initial Backfeed Date, Synchronization Date, and Commercial Operation Date; and either the Standard Option or Alternate Option set forth below, and such dates and selected option shall be set forth in Appendix B hereto. At the same time, Interconnection Customer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated by Interconnection Customer are not acceptable to the Connecting Transmission Owner, the Connecting Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days. Upon receipt of the notification that Interconnection Customer's designated dates are not acceptable to the Connecting Transmission Owner, Interconnection Customer shall notify the Connecting Transmission Owner within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option.

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

5.1.2 Alternate Option.

If the dates designated by Interconnection Customer are acceptable to Connecting Transmission Owner, the Connecting Transmission Owner shall so notify Interconnection Customer and NYISO within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities by the designated dates. If Connecting Transmission Owner subsequently fails to complete Connecting Transmission Owner's Attachment Facilities by the Initial Backfeed Date, to the extent necessary to provide back feed power; or fails to complete System Upgrade Facilities or System Deliverability Upgrades by the Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by Interconnection Customer and Connecting Transmission Owner for such Trial Operation; or fails to complete the System Upgrade Facilities and System Deliverability Upgrades by the

Commercial Operation Date, as such dates are reflected in Appendix B hereto; Connecting Transmission Owner shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, *provided, however*, the dates designated by Interconnection Customer shall be extended day for day for each day that NYISO refuses to grant clearances to install equipment.

5.1.3 Option to Build.

Individual or multiple Interconnection Customer(s) shall have the option to assume responsibility for the design, procurement and construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities on the dates specified in Article 5.1.2 if the requirements in this Article 5.1.3 are met. When multiple Interconnection Customers may agree to exercise this option, multiple Interconnection Customers may agree to exercise this option provided (1) all Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities constructed under this option are only required for Interconnection Customers in a single Cluster and (2) all impacted Interconnection Customers execute and provide to the NYISO and Connecting Transmission Owner an agreement regarding responsibilities and payments for the construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities planned to be built under this option. NYISO, Connecting Transmission Owner, and the individual Interconnection Customer or each of the multiple Interconnection Customers must agree as to what constitutes Stand Alone System Upgrade Facilities and identify such Stand Alone System Upgrade Facilities in Appendix A hereto. Except for Stand Alone System Upgrade Facilities, Interconnection Customer shall have no right to construct System Upgrade Facilities or System Deliverability Upgrades under this option.

5.1.4 Negotiated Option.

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

5.2 General Conditions Applicable to Option to Build.

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

5.2.1 Interconnection Customer shall engineer, procure equipment, and construct

the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Connecting Transmission Owner;

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

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

5.2.4 Prior to the commencement of construction, Interconnection Customer shall provide to Connecting Transmission Owner and NYISO a schedule for construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities, and shall promptly respond to requests for information from Connecting Transmission Owner or NYISO;

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

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

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

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

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

5.2.10 Connecting Transmission Owner shall approve and accept for operation

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

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

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

5.3 Liquidated Damages.

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

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

Further, Connecting Transmission Owner shall not pay liquidated damages to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of the

Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for the Interconnection Customer's Facility's Trial Operation or to export power from Interconnection Customer's Facility on the specified dates, unless Interconnection Customer would have been able to commence use of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for Interconnection Customer's Facility's Trial Operation or to export power from the Interconnection Customer's Facility, but for Connecting Transmission Owner's delay; (2) the Connecting Transmission Owner's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into an interconnection agreement with the Connecting Transmission Owner and NYISO, or action or inaction by any other Party, or any other cause beyond Connecting Transmission Owner's reasonable control or reasonable ability to cure; (3) Interconnection Customer has assumed responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities; or (4) the Connecting Transmission Owner and Interconnection Customer have otherwise agreed. In no event shall NYISO have any liability whatever to Interconnection Customer for liquidated damages associated with the engineering, procurement or construction of Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades.

5.4 Power System Stabilizers.

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

5.5 Design and Equipment Procurement.

If responsibility for construction of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades is to be borne by the Connecting Transmission Owner, then the Connecting Transmission Owner shall commence design of the applicable facilities for which it is responsible and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless Interconnection Customer and Connecting Transmission Owner otherwise agree in writing:

5.5.1 NYISO and Connecting Transmission Owner have completed the Class Year Study or Cluster Study;

5.5.2 The NYISO has completed the required cost allocation analyses, and Interconnection Customer has accepted its Project Cost Allocation for, as applicable, the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT;

5.5.3 The Connecting Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B hereto; and

5.5.4 Interconnection Customer has provided security to the Connecting Transmission Owner for the design and procurement of the applicable facilities in accordance with Article 11.5 by the date(s) specified in Appendix B hereto.

5.6 Construction Commencement.

The Connecting Transmission Owner shall commence construction of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

5.6.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

5.6.2 Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades;

5.6.3 The Connecting Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B hereto; and

5.6.4 Interconnection Customer has provided security to the Connecting Transmission Owner for the construction of the applicable facilities in accordance with Article 11.5 by the date(s) specified in Appendix B hereto.

5.7 Work Progress.

Interconnection Customer and Connecting Transmission Owner will keep each other, and NYISO, advised periodically as to the progress of their respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from Interconnection Customer or Connecting Transmission Owner. If, at any time, Interconnection Customer determines that the completion of the Connecting Transmission Owner's Attachment Facilities will not be required until after the specified Initial Backfeed Date, Interconnection Customer will provide written notice to the Connecting Transmission Owner and NYISO of such later date upon which the completion of the Connecting Transmission Owner's Attachment Facilities will be required.

5.8 Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customer and Connecting Transmission Owner shall exchange information, and provide NYISO the same information, regarding the design and compatibility of their respective Attachment Facilities and compatibility of the Attachment Facilities with the New York State Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Other Interconnection Options

5.9.1 Limited Operation.

If any of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of Interconnection Customer's Facility, NYISO shall, upon the request and at the expense of Interconnection Customer, in conjunction with the Connecting Transmission Owner, perform operating studies on a timely basis to determine the extent to which Interconnection Customer's Facility and the Interconnection Customer's Attachment Facilities may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this Agreement. Connecting Transmission Owner and NYISO shall permit Interconnection Customer to operate Interconnection Customer's Facility and Interconnection Customer's Attachment Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service.

Prior to: (i) Interconnection Customer's eligibility under the Standard Large Facility Interconnection Procedures or Standard Interconnection Procedures pursuant to which it may enter into an interconnection agreement before the completion of the Class Year Study or Cluster Study and (ii) the completion of requisite Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Distribution Upgrades, or System Protection Facilities, Interconnection Customer may request an evaluation for Provisional Interconnection Service. NYISO, in conjunction with the Connecting Transmission Owner, shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects without modifications to the Facility or the New York State Transmission System (or Distribution System as applicable). NYISO, in conjunction with the Connecting Transmission Owner, shall determine whether any Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities, which are necessary to meet Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, are in place prior to the commencement of interconnection service from the Facility. Where available studies indicate that the Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities are required for the interconnection of a new, modified and/or expanded Facility but such facilities are not currently in place, NYISO, in conjunction with the Connecting Transmission Owner, will perform a study, at Interconnection Customer's expense, to confirm the facilities that are required for Provisional

Interconnection Service. The maximum permissible output of the Facility in the Provisional Standard Interconnection Agreement shall be studied, at the Interconnection Customer's expense, and updated annually. The NYISO shall issue the study's findings in writing to Interconnection Customer and Connecting Transmission Owner(s). Following a determination by NYISO, in conjunction with the Connecting Transmission Owner, that Interconnection Customer may reliably provide Provisional Interconnection Service, NYISO shall tender to Interconnection Customer and Connecting Transmission Owner, a Provisional Standard Interconnection Agreement. NYISO, Interconnection Customer, and Connecting Transmission Owner may execute the Provisional Standard Interconnection Agreement, or Interconnection Customer may request the filing of an unexecuted Provisional Standard Interconnection Agreement with the Commission. Interconnection Customer shall assume all risk and liabilities with respect to changes between the Provisional Standard Interconnection Agreement and the Standard Interconnection Agreement, including changes in output limits and the cost responsibilities for the Attachment Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or System Protection Facilities.

5.10 Interconnection Customer's Attachment Facilities ("ICAF").

Interconnection Customer shall, at its expense, design, procure, construct, own and install the DAF, as set forth in Appendix A hereto.

5.10.1 ICAF Specifications.

Interconnection Customer shall submit initial specifications for the ICAF, including System Protection Facilities, to Connecting Transmission Owner and NYISO at least one hundred eighty (180) Calendar Days prior to the Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Synchronization Date. Connecting Transmission Owner and NYISO shall review such specifications to ensure that the ICAF are compatible with the technical specifications, operational control, and safety requirements of the Connecting Transmission Owner and NYISO and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed to be Confidential Information.

5.10.2 No Warranty.

The review of Interconnection Customer's final specifications by Connecting Transmission Owner and NYISO shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Facility or the ICAF. Interconnection Customer shall make such changes to the ICAF as may reasonably be required by Connecting Transmission Owner or NYISO, in accordance with Good Utility Practice, to ensure that the ICAF are compatible with the technical specifications, operational control, and safety requirements of the Connecting Transmission Owner and NYISO.

5.10.3 ICAF Construction.

The DAF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless Interconnection Customer and Connecting Transmission Owner agree on another mutually

acceptable deadline, Interconnection Customer shall deliver to the Connecting Transmission Owner and NYISO "as-built" drawings, information and documents for the ICAF, such as: a one-line diagram, a site plan showing the Facility and the ICAF, plan and elevation drawings showing the layout of the ICAF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with Interconnection Customer's step-up transformers, the facilities connecting the Facility to the step-up transformers and the ICAF, and the impedances (determined by factory tests) for the associated step-up transformers and the Facility. Interconnection Customer shall provide to, and coordinate with, Connecting Transmission Owner and NYISO with respect to proposed specifications for the excitation system, automatic voltage regulator, Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Connecting Transmission Owner's Attachment Facilities Construction.

The Connecting Transmission Owner's Attachment Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Connecting Transmission Owner and Interconnection Customer agree on another mutually acceptable deadline, the Connecting Transmission Owner shall deliver to Interconnection Customer "as-built" drawings, relay diagrams, information and documents for the Connecting Transmission Owner's Attachment Facilities set forth in Appendix A.

The Connecting Transmission Owner [shall/shall not] transfer operational control of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the NYISO upon completion of such facilities.

5.12 Access Rights.

Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the Connecting Transmission Owner or Interconnection Customer ("Granting Party") shall furnish to the other of those two Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress at the Point of Interconnection to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Facility with the New York State Transmission System or Distribution System; (ii) operate and maintain the Facility, the Attachment Facilities, and the New York State Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Agreement. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

5.13 Lands of Other Property Owners.

If any part of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades is to be installed on property owned by persons other than Interconnection Customer or Connecting Transmission Owner, the Connecting Transmission Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades upon such property.

5.14 Permits.

NYISO, Connecting Transmission Owner, and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Connecting Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to the Connecting Transmission Owner's own, or an Affiliate's generation, if any.

5.15 Early Construction of Base Case Facilities.

Interconnection Customer may request Connecting Transmission Owner to construct, and Connecting Transmission Owner shall construct, subject to a binding cost allocation agreement reached in accordance with Attachment S or HH to the ISO OATT, including Section 25.8.7 or 40.17 thereof, using Reasonable Efforts to accommodate Interconnection Customer's Initial Backfeed Date, all or any portion of any System Upgrade Facilities or System Deliverability Upgrades required for Interconnection Customer to be interconnected to the New York State Transmission System which are included in the Base Case of the Class Year Study or Cluster Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's Initial Backfeed Date.

5.16 Suspension.

Interconnection Customer reserves the right, upon written notice to Connecting Transmission Owner and NYISO, to suspend at any time all work by Connecting Transmission Owner or Interconnection Customer, as applicable, associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades required for only that Interconnection Customer under this Agreement with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of Connecting Transmission Owner and NYISO. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment HH to the OATT including those which Connecting

Transmission Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs as a result of the suspension of such work, including any costs incurred by the Connecting Transmission Owner to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New York State Transmission System during such suspension and, if cancellation or suspension of material, equipment, and labor contracts which Connecting Transmission Owner cannot reasonably avoid; *provided, however*, that prior to canceling or suspending any such material, equipment, or labor contract, Connecting Transmission Owner shall obtain Interconnection Customer's authorization to do so. Interconnection Customer's election to suspend work pursuant to this Article 5.16 shall not toll the time period by which an Interconnection Customer may extend the Commercial Operation Date for the Facility without such extension being a Material Modification pursuant to Attachment HH to the OATT.

Connecting Transmission Owner shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. If: (i) pursuant to this Article 5.16, Interconnection Customer suspends work associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades that is required under this Agreement, and (ii) Interconnection Customer has, as applicable, either not recommenced work or requested Connecting Transmission Owner to recommence its work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Connecting Transmission Owner and NYISO, if no effective date is specified.

5.17 Taxes.

If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the tax requirements established in this Article 5.17 that are appropriate for the transmission facility.

5.17.1 Interconnection Customer Payments Not Taxable.

Interconnection Customer and Connecting Transmission Owner intend that all payments or property transfers made by Interconnection Customer to Connecting Transmission Owner for the installation of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and the System Deliverability Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants.

In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity generated at the Generating Facility will pass to another party prior to the transmission of the electricity on the

New York State Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Connecting Transmission Owner for the Connecting Transmission Owner's Attachment Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Connecting Transmission Owner's Attachment Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Connecting Transmission Owner's request, Interconnection Customer shall provide Connecting Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Connecting Transmission Owner represents and covenants that the cost of the Connecting Transmission Owner's Attachment Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Connecting Transmission Owner.

Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Connecting Transmission Owner from the cost consequences of any current tax liability imposed against Connecting Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Connecting Transmission Owner under this Agreement, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Connecting Transmission Owner.

Connecting Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this Agreement unless (i) Connecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Connecting Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Connecting Transmission Owner to report payments or property as income subject to taxation; *provided, however*, that Connecting Transmission Owner may require Interconnection Customer to provide security, in a form reasonably acceptable to Connecting Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Connecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Connecting Transmission Owner of the amount due, including detail about how the amount was calculated.

This indemnification obligation shall terminate at the earlier of (1) the expiration of the ten-year testing period and the applicable statute of limitation, as it may be extended by the Connecting Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related

indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount.

Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Connecting Transmission Owner, in addition to the amount paid for the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, an amount equal to (1) the current taxes imposed on Connecting Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Connecting Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Connecting Transmission Owner under this Agreement (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit the Connecting Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Connecting Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Connecting Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Connecting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Connecting Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Connecting Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: (Current Tax Rate x (Gross Income Amount - Present Value Depreciation Amount))/(1 - Current Tax Rate). Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law.

At Interconnection Customer's request and expense, Connecting Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Interconnection Customer to Connecting Transmission Owner under this Agreement are subject to federal income taxation. Interconnection Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Interconnection Customer's knowledge. Connecting Transmission Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Connecting Transmission Owner shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter

ruling. Connecting Transmission Owner shall allow Interconnection Customer to attend all meetings with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events.

If, within 10 years from the date on which the relevant Connecting Transmission Owner Attachment Facilities are placed in service, (i) Interconnection Customer Breaches the covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this Agreement terminates and Connecting Transmission Owner retains ownership of the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Connecting Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7 Contests.

In the event any Governmental Authority determines that Connecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Connecting Transmission Owner shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Connecting Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Connecting Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Connecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Connecting Transmission Owner shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest, including any costs associated with obtaining the opinion of independent tax counsel described in this Article 5.17.7. The Connecting Transmission Owner may abandon any contest if Interconnection Customer fails to provide payment to the Connecting Transmission Owner within thirty (30) Calendar Days of receiving such invoice. At any time during the contest, Connecting Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Connecting Transmission Owner, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is

supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. The Connecting Transmission Owner may also settle any tax controversy without receiving Interconnection Customer's consent or any such written advice; however, any such settlement will relieve Interconnection Customer from any obligation to indemnify Connecting Transmission Owner for the tax at issue in the contest (unless the failure to obtain written advice is attributable to Interconnection Customer's unreasonable refusal to the appointment of independent tax counsel).

5.17.8 Refund.

In the event that (a) a private letter ruling is issued to Connecting Transmission Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Connecting Transmission Owner under the terms of this Agreement is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Connecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Connecting Transmission Owner under the terms of this Agreement is not taxable to Connecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Connecting Transmission Owner are not subject to federal income tax, or (d) if Connecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Connecting Transmission Owner pursuant to this Agreement, Connecting Transmission Owner shall promptly refund to Interconnection Customer the following:

(i) Any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,

(ii) Interest on any amounts paid by Interconnection Customer to Connecting Transmission Owner for such taxes which Connecting Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Connecting Transmission Owner refunds such payment to Interconnection Customer, and

(iii) With respect to any such taxes paid by Connecting Transmission Owner, any refund or credit Connecting Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to the Connecting Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Connecting Transmission Owner to any Governmental Authority resulting from an offset or credit); *provided, however,* that Connecting Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Connecting Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to the Connecting Transmission Owner's Attachment Facilities.

The intent of this provision is to leave both Interconnection Customer and Connecting Transmission Owner, to the extent practicable, in the event that no taxes are due with respect to any payment for Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes.

Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Connecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Connecting Transmission Owner for which Interconnection Customer may be required to reimburse Connecting Transmission Owner under the terms of this Agreement. Interconnection Customer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Connecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Connecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Connecting Transmission Owner.

5.18 Tax Status; Non-Jurisdictional Entities.

5.18.1 Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of any Connecting Transmission Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

5.18.2 Non-Jurisdictional Entities.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

5.19 Modification.

5.19.1 General.

Either Interconnection Customer or Connecting Transmission Owner may undertake modifications to its facilities covered by this Agreement; *provided, however*, that if Interconnection Customer seeks to undertake any modifications for the Facility, Interconnection Customer must comply with the modification requirements for Facilities, including for extensions of the Commercial Operation Date, set forth in the ISO OATT and ISO Procedures. If either Interconnection Customer or Connecting Transmission Owner plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party, and to NYISO, sufficient information regarding such modification so that the other Party and NYISO may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party and NYISO at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, the NYISO shall provide, within sixty (60) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the New York State Transmission System, Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof. The Interconnection Customer shall be responsible for the cost of any such additional modifications, including the cost of studying the impact of the Interconnection Customer modification.

5.19.2 Standards.

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

5.19.3 Modification Costs.

Interconnection Customer shall not be assigned the costs of any additions, modifications, or replacements that Connecting Transmission Owner makes to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System to facilitate the interconnection of a third party to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment HH of the ISO OATT. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Customer's Attachment Facilities that may be necessary to maintain or upgrade such Interconnection Customer's

Attachment Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications.

Prior to the Commercial Operation Date, the Connecting Transmission Owner shall test the Connecting Transmission Owner's Attachment Facilities (including required control technologies and protection systems), System Upgrade Facilities, and System Deliverability Upgrades and Interconnection Customer shall test the Facility and the Interconnection Customer's Attachment Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Interconnection Customer and Connecting Transmission Owner shall each make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall, as applicable, generate test energy at or transit test energy over the Facility only if it has arranged for the injection of such test energy in accordance with ISO Procedures.

6.2 Post-Commercial Operation Date Testing and Modifications.

Interconnection Customer and Connecting Transmission Owner shall each at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice and Applicable Reliability Standards as may be necessary to ensure the continued interconnection of the Facility with the New York State Transmission System in a safe and reliable manner. Interconnection Customer and Connecting Transmission Owner shall each have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.

6.3 Right to Observe Testing.

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, and the NYISO, in advance of its performance of tests of its Attachment Facilities. The other Party, and the NYISO, shall each have the right, at its own expense, to observe such testing.

6.4 Right to Inspect.

Interconnection Customer and Connecting Transmission Owner shall each have the right, but shall have no obligation to: (i) observe the other Party's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Attachment Facilities, the System Protection Facilities and other protective equipment. NYISO shall have these same rights of inspection as to the facilities and equipment of Interconnection Customer and Connecting Transmission Owner. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a

Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Attachment Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be treated in accordance with Article 22 of this Agreement and Attachment F to the ISO OATT.

ARTICLE 7. METERING

7.1 General.

Interconnection Customer and Connecting Transmission Owner shall each comply with applicable requirements of NYISO and the New York Public Service Commission when exercising its rights and fulfilling its responsibilities under this Article 7. Unless otherwise agreed by the Connecting Transmission Owner and NYISO approved meter service provider and Interconnection Customer, the Connecting Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Facility and shall own, operate, test and maintain such Metering Equipment. Net power flows including MW and MVAR, MWHR and loss profile data to and from the Facility shall be measured at the Point of Interconnection. Connecting Transmission Owner shall provide metering quantities, in analog and/or digital form, as required, to Interconnection Customer or NYISO upon request. Where the Point of Interconnection for the Facility is other than the generator terminal, the Interconnection Customer shall also provide gross MW and MVAR quantities at the generator terminal as required by NYISO. If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the metering requirements established in this Article 7 that are appropriate for the transmission facility. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

7.2 Check Meters.

Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Connecting Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Agreement, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Connecting Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards.

Connecting Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment including potential transformers and current transformers in accordance with applicable ANSI and PSC standards as detailed in the NYISO Control Center Communications Manual and in the NYISO Revenue Metering Requirements Manual.

7.4 Testing of Metering Equipment.

Connecting Transmission Owner shall inspect and test all of its Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by NYISO or Interconnection Customer, Connecting Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Connecting Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer and NYISO may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Connecting Transmission Owner's failure to maintain, then Connecting Transmission Owner shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Connecting Transmission Owner shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Interconnection Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment. The NYISO shall reserve the right to review all associated metering equipment installation on Interconnection Customer's or Connecting Transmission Owner's property at any time.

7.5 Metering Data.

At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Connecting Transmission Owner, Interconnection Customer, and NYISO. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

8.1 Interconnection Customer Obligations.

In accordance with applicable NYISO requirements, Interconnection Customer shall maintain satisfactory operating communications with Connecting Transmission Owner and NYISO. Interconnection Customer shall provide standard voice line and dedicated voice line communications at its Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Connecting Transmission Owner and NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the Facility to the location(s) specified by Connecting Transmission Owner and NYISO. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

8.2 Remote Terminal Unit.

Prior to the Synchronization Date of the Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer, or by Connecting Transmission Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Connecting Transmission Owner and NYISO through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Connecting Transmission Owner and NYISO. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Connecting Transmission Owner and NYISO.

Each Party will promptly advise the appropriate other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by that other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

8.3 No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 9. OPERATIONS

9.1 General.

Each Party shall comply with Applicable Laws and Regulations and Applicable Reliability Standards. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations, and Applicable Reliability Standards. If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the operating requirements established in this Article 9 that are appropriate for the transmission facility.

9.2 NYISO and Connecting Transmission Owner Obligations.

Connecting Transmission Owner and NYISO shall cause the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this Agreement and the NYISO Tariffs. Connecting Transmission Owner and NYISO may provide operating instructions to Interconnection Customer consistent with this Agreement, the NYISO Tariffs, ISO Procedures, and Connecting Transmission Owner's operating protocols and procedures, as such requirements may change from time to time. Connecting Transmission Owner and NYISO will consider changes to their respective operating protocols and procedures proposed by Interconnection Customer.

9.3 Interconnection Customer Obligations.

Interconnection Customer shall at its own expense operate, maintain, and control the Facility and the Interconnection Customer's Attachment Facilities in a safe and reliable manner and in accordance with this Agreement. Interconnection Customer shall operate the Facility and the Interconnection Customer's Attachment Facilities in accordance with any additional NYISO and Connecting Transmission Owner requirements, as such requirements are set forth or referenced in Appendix C hereto. Appendix C will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that the appropriate other Party or Parties provide copies of the requirements set forth or referenced in Appendix C hereto.

9.4 Start-Up and Synchronization.

Consistent with the mutually acceptable procedures of Interconnection Customer and Connecting Transmission Owner, Interconnection Customer is responsible for the proper synchronization of the Facility to the New York State Transmission System in accordance with NYISO and Connecting Transmission Owner procedures and requirements.

9.5 Real and Reactive Power Control and Primary Frequency Response.

9.5.1 Power Factor Design Criteria.

9.5.1.1 Synchronous Generation. Interconnection Customer shall design the Facility to maintain effective composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging unless the NYISO or the Transmission Owner in whose Transmission District the Facility interconnects has established different requirements that apply to all generators in the New York Control Area or Transmission District (as applicable) on a comparable basis, in accordance with Good Utility Practice.

Interconnection Customer shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

9.5.1.2 Non-Synchronous Generation. Interconnection Customer shall design the Facility to maintain composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the NYISO or the Transmission Owner in whose Transmission District the Facility interconnects has established a different power factor range that applies to all non-synchronous generators in the New York Control Area or Transmission District (as applicable) on a comparable basis, in accordance with Good Utility Practice. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnection non-synchronous generators that have not yet executed a Class Year Study Agreement or a Cluster Study Agreement as of September 21, 2016.

Interconnection Customer shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

9.5.2 Voltage Schedules.

Once Interconnection Customer has synchronized the Facility with the New York State Transmission System, NYISO shall require Interconnection Customer to operate the Facility to produce or absorb reactive power within the design capability of the Facility set forth in Article 9.5.1 (Power Factor Design Criteria). NYISO's voltage schedules shall treat all sources of reactive power in the New York Control Area in an equitable and not unduly discriminatory manner. NYISO shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules in accordance with ISO Procedures, and may make changes to such schedules as necessary to maintain the reliability of the New York State Transmission System. Interconnection Customer shall operate the Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design capability of the Facility set forth in Article 9.5.1 (Power Factor Design Criteria) as directed by the Connecting Transmission Owner's system operator or the NYISO. If Interconnection Customer is unable to maintain the specified voltage or power factor, it shall promptly notify NYISO.

9.5.3 Payment for Reactive Power.

NYISO shall pay Interconnection Customer for reactive power or voltage support service that Interconnection Customer provides from the Facility in accordance with the provisions of Rate Schedule 2 of the ISO Services Tariff.

9.5.4 Voltage Regulators.

Whenever the Facility is operated in parallel with the New York State Transmission System, the automatic voltage regulators shall be in automatic operation at all times. If the Facility's automatic voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify NYISO, or its designated representative, and ensure that such Facility's real and reactive power are within the design capability of the Facility's generating unit(s) and steady state stability limits and NYISO system operating (thermal, voltage and transient stability) limits. Interconnection Customer shall not cause its Facility to disconnect automatically or instantaneously from the New York State Transmission System or trip any generating unit comprising the Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the New York Control Area on a comparable basis.

9.5.5 Primary Frequency Response.

Interconnection Customer shall ensure the primary frequency response capability of its Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term "functioning governor or equivalent controls" as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Facility's real power output in accordance with the droop and deadband parameters and in the direction needed to correct

frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop ± 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Applicable Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Facility, and shall be linear in the range of frequencies between 59 and 61 Hz that are outside of the deadband parameter; or (2) based on an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify NYISO that the primary frequency response capability of the Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Facility with the New York State Transmission System, Interconnection Customer shall operate the Facility consistent with the provisions specified in Articles 9.5.5.1 and 9.5.5.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Facilities.

9.5.5.1 Governor or Equivalent Controls.

Whenever the Facility is operated in parallel with the New York State Transmission System, Interconnection Customer shall operate the Facility with its governor or equivalent controls in service and responsive to frequency. Interconnection Customer shall: (1) in coordination with NYISO, set the deadband parameter to: (1) a maximum of ±0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved Applicable Reliability Standard that provides for equivalent or more stringent parameters. Interconnection Customer shall be required to provide the status and settings of the governor and equivalent controls to NYISO and/or the Connecting Transmission Owner upon request. If Interconnection Customer needs to operate the Facility with its governor or equivalent controls not in service, Interconnection Customer shall immediately notify NYISO and the Connecting Transmission Owner, and provide both with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service. Interconnection Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Interconnection Customer shall make Reasonable Efforts to keep outages of the Facility's governor or equivalent controls to a minimum whenever the Facility is operated in parallel with the New York State Transmission System.

9.5.5.2 Timely and Sustained Response.

Interconnection Customer shall ensure that the Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Facility has operating capability in the direction needed to correct the frequency deviation. Interconnection Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Facility shall sustain the real power response at least until system frequency returns to a value within the deadband setting of the governor or equivalent controls. An Applicable Reliability Standard with equivalent or more stringent requirements shall supersede the above requirements.

9.5.5.3 Exemptions.

Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Articles 9.5.5, 9.5.5.1, and 9.5.5.2 of this Agreement. Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability requirements in accordance with the droop and deadband capability requirements specified in Article 9.5.5, but shall be otherwise exempt from the operating requirements in Articles 9.5.5, 9.5.5.1, 9.5.5.2, and 9.5.5.4 of this Agreement.

9.5.5.4 Electric Storage Resources.

Interconnecting Customer interconnecting a Facility that contains an electric storage resource shall establish an operating range in Appendix C of this Agreement that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Articles 9.5.5, 9.5.5.1, 9.5.5.2, and 9.5.5.3 of this Agreement. Appendix C shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resources due to manufacturer specification; and (6) any other relevant factors agreed to by the NYISO, Connecting Transmission Owner, and Interconnection Customer. If the operating range is dynamic, then Appendix C must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Article 9.5.5.2 of this Agreement when it is online and dispatched to inject electricity to the New York State Transmission System and/or receive electricity from the New York State Transmission System. This excludes circumstances

when the electric storage resource is not dispatched to inject electricity to the New York State Transmission System and/or dispatched to receive electricity from the New York State Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.6 Outages and Interruptions.

9.6.1 Outages.

9.6.1.1 Outage Authority and Coordination.

Interconnection Customer and Connecting Transmission Owner may each, in accordance with ISO Procedures and Good Utility Practice and in coordination with the other Party, remove from service any of its respective Attachment Facilities or System Upgrade Facilities and System Deliverability Upgrades that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency State, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to both the Interconnection Customer and the Connecting Transmission Owner. In all circumstances either Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal.

9.6.1.2 Outage Schedules.

The Connecting Transmission Owner shall post scheduled outages of its transmission facilities on the NYISO OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Facility to Connecting Transmission Owner and NYISO for a minimum of a rolling thirty-six month period. Interconnection Customer shall update its planned maintenance schedules as necessary. NYISO may direct, or the Connecting Transmission Owner may request, Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the New York State Transmission System. Compensation to Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of rescheduling maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent the request to reschedule maintenance, shall be in accordance with the ISO OATT. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities other than at the direction of the NYISO or request of the Connecting Transmission Owner.

9.6.1.3 Outage Restoration.

If an outage on the Attachment Facilities or System Upgrade Facilities or System

Deliverability Upgrades of the Connecting Transmission Owner or Interconnection Customer adversely affects the other Party's operations or facilities, the Party that owns the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns the facility that is out of service shall provide the other Party and NYISO, to the extent such information is known, information on the nature of the Emergency State, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

9.6.2 Interruption of Service. If required by Good Utility Practice or Applicable Reliability Standards to do so, the NYISO or Connecting Transmission Owner may require Interconnection Customer to interrupt or reduce production or transmission of electricity if such production or transmission of electricity could adversely affect the ability of NYISO and Connecting Transmission Owner to perform such activities as are necessary to safely and reliably operate and maintain the New York State Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.6.2:

9.6.2.1 The interruption or reduction shall continue only for so long as reasonably ne**c**essary under Good Utility Practice;

9.6.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating and merchant transmission facilities directly connected to the New York State Transmission System;

9.6.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, NYISO or Connecting Transmission Owner shall notify Interconnection Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

9.6.2.4 Except during the existence of an Emergency State, when the interruption or reduction can be scheduled without advance notice, NYISO or Connecting Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. NYISO or Connecting Transmission Owner shall coordinate with each other and Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer, the Connecting Transmission Owner and the New York State Transmission System;

9.6.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Facility, Attachment Facilities, and the New York State Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.6.3 Ride Through Capability and Performance.

The New York State Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Councils in the event of an under-

frequency system disturbance. Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Facility as required by the Applicable Reliability Councils to ensure frequency "ride through" capability of the New York State Transmission System. Facility response to frequency deviations of predetermined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the NYISO and Connecting Transmission Owner in accordance with Good Utility Practice. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Applicable Reliability Councils to ensure voltage "ride through" capability of the New York State Transmission System. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the New York State Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Generating Facilities in the Balancing Authority Area on a comparable basis unless the Transmission Owner in whose Transmission District the Facility interconnects has established different requirements that apply on a comparable basis in accordance with Good Utility Practice. For abnormal frequency conditions and voltage conditions within the "no trip zone" as that term is defined by ERO Reliability Standard PRC-024-3, any successor mandatory ride through ERO reliability standards, or any more stringent NPCC or NYSRC requirements applicable to Generating Facilities in the Balancing Authority Area on a comparable basis, the non-synchronous Generating Facility must ensure that, within any physical limitations of the Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

9.6.4 System Protection and Other Control Requirements.

9.6.4.1 System Protection Facilities. Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Facility or Interconnection Customer's Attachment Facilities. Connecting Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System as a result of the interconnection of the Facility and Interconnection Customer's Attachment Facilities.

9.6.4.2 The protection facilities of both Interconnection Customer and Connecting Transmission Owner shall be designed and coordinated with other systems in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.4.3 Interconnection Customer and Connecting Transmission Owner shall each be responsible for protection of its respective facilities consistent with Good Utility Practice and

Applicable Reliability Standards.

9.6.4.4 The protective relay design of Interconnection Customer and Connecting Transmission Owner shall each incorporate the necessary test switches to perform the tests required in Article 6 of this Agreement. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Interconnection Customer's Facility or Connecting Transmission Owner's facilities.

9.6.4.5 Interconnection Customer and Connecting Transmission Owner will each test, operate and maintain System Protection Facilities in accordance with Good Utility Practice, ERO and NPCC criteria.

9.6.4.6 Prior to the Initial Backfeed Date, and again prior to the Commercial Operation Date, Interconnection Customer and Connecting Transmission Owner shall each perform, or their agents shall perform, a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, Interconnection Customer and Connecting Transmission Owner shall each perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

9.6.5 Requirements for Protection.

In compliance with NPCC requirements and Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Facility to any short circuit occurring on the New York State Transmission System not otherwise isolated by Connecting Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New York State Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Facility and the New York State Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of Interconnection Customer and Connecting Transmission Owner. Interconnection Customer shall be responsible for protection of the Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Facility and Interconnection Customer's other equipment if conditions on the New York State Transmission System could adversely affect the Facility.

9.6.6 Power Quality.

Neither the facilities of Interconnection Customer nor the facilities of Connecting Transmission Owner shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance

with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.7 Switching and Tagging Rules.

Interconnection Customer and Connecting Transmission Owner shall each provide the other Party a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a nondiscriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.8 Use of Attachment Facilities by Third Parties.

9.8.1 Purpose of Attachment Facilities.

Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Attachment Facilities shall be constructed for the sole purpose of interconnecting the Facility to the New York State Transmission System and shall be used for no other purpose.

9.8.2 Third Party Users.

If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use the Connecting Transmission Owner's Attachment Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Attachment Facilities based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Attachment Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

9.9 Disturbance Analysis Data Exchange.

The Parties will cooperate with one another and the NYISO in the analysis of disturbances to either the Facility or the New York State Transmission System by gathering and providing access to any information relating to any disturbance, including information from disturbance recording equipment, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

9.10 Phasor Measurement Units

An Interconnection Customer shall install and maintain, at its expense, phasor measurement units ("PMUs") if it meets the following criteria: (1) completed a Class Year Study or Cluster Study after Class Year 2017; and (2) proposes a new Facility that either (a) has a maximum net output equal to or greater than 100 MW or (b) requires, as Attachment Facilities or System Upgrade Facilities, a new substation of 230kV or above.

PMUs shall be installed on the Facility on the low side of the generator step-up transformer, unless it is a non-synchronous generation facility, in which case the PMUs shall be installed on the Interconnection Customer side of the Point of Interconnection. The PMUs must be capable of performing phasor measurements at a minimum of 60 samples per second which are synchronized via a high-accuracy satellite clock. To the extent Interconnection Customer installs similar quality equipment, such as relays or digital fault recorders, that can collect data at least at the same rate as PMUs and which data is synchronized via a high-accuracy satellite clock, such equipment would satisfy this requirement.

Interconnection Customer shall be required to install and maintain, at its expense, PMU equipment which includes the communication circuit capable of carrying the PMU data to a local data concentrator, and then transporting the information continuously to the Connecting Transmission Owner and the NYISO; as well as store the PMU data locally for thirty (30) Calendar Days. Interconnection Customer shall provide to Connecting Transmission Owner and the NYISO all necessary and requested information through the Connecting Transmission Owner's and the NYISO's synchrophasor system, including the following: (a) gross MW and MVAR measured at the Interconnection Customer side of the generator step-up transformer (or, for a non-synchronous generation facility, to be measured at the Interconnection Customer side of the Point of Interconnection); (b) generator terminal voltage and current magnitudes and angles; (c) generator terminal frequency and frequency rate of change; and (d) generator field voltage and current, where available; and (e) breaker status, if available. The Connecting Transmission Owner will provide for the ongoing support and maintenance of the network communications linking the data concentrator to the Connecting Transmission Owner and the NYISO, consistent with ISO Procedures detailing the obligations related to SCADA data.

ARTICLE 10. MAINTENANCE

10.1 Connecting Transmission Owner Obligations.

Connecting Transmission Owner shall maintain its transmission facilities and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

10.2 Interconnection Customer Obligations.

Interconnection Customer shall maintain its Facility and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

10.3 Coordination.

Interconnection Customer and Connecting Transmission Owner shall confer regularly to

coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Facility and the Attachment Facilities. Interconnection Customer and Connecting Transmission Owner shall keep NYISO fully informed of the preventive and corrective maintenance that is planned, and shall schedule all such maintenance in accordance with ISO Procedures.

10.4 Secondary Systems.

Interconnection Customers and Connecting Transmission Owner shall each cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of Interconnection Customer's or Connecting Transmission Owner's facilities and equipment which may reasonably be expected to impact the other Party. Interconnection Customer and Connecting Transmission Owner shall each provide advance notice to the other Party, and to NYISO, before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 Operating and Maintenance Expenses.

Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Attachment Facilities; and (2) operation, maintenance, repair and replacement of Connecting Transmission Owner's Attachment Facilities. The Connecting Transmission Owner shall be entitled to the recovery of incremental operating and maintenance expenses that it incurs associated with System Upgrade Facilities and System Deliverability Upgrades if and to the extent provided for under Attachment HH to the ISO OATT.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Interconnection Customer's Attachment Facilities.

Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer's Attachment Facilities described in Appendix A hereto, at its sole expense.

11.2 Connecting Transmission Owner's Attachment Facilities.

Connecting Transmission Owner or Interconnection Customer, as determined in accordance with Article 5 of this Agreement, shall design, procure, construct, and/or install the Connecting Transmission Owner's Attachment Facilities described in Appendix A hereto at the sole expense of the Interconnection Customer. Connecting Transmission Owner shall own the Connecting Transmission Owner's Attachment Facilities.

11.3 System Upgrade Facilities and System Deliverability Upgrades.

Connecting Transmission Owner or Interconnection Customer, as determined in accordance with Article 5 of this Agreement, shall design, procure, construct, and/or install the System Upgrade Facilities and System Deliverability Upgrades described in Appendix A hereto. Connecting Transmission Owner shall own the System Upgrade Facilities and System Deliverability Upgrades. The responsibility of the Interconnection Customer for costs related to System Upgrade Facilities and System Deliverability Upgrades shall be determined in accordance with the provisions of Attachment HH to the OATT.

11.4 Upgrades on Affected Systems or Upgrades Required for Multiple Projects on Connecting Transmission Owner's System or Affected Systems.

If any System Upgrade Facilities or System Deliverability Upgrades are required on an Affected System or Connecting Transmission Owner's system in connection with the interconnection of the Facility and are subject to the requirements to enter a Standard Upgrades Construction Agreement or a Standard Multiparty Upgrade Construction Agreement pursuant to the requirements in Attachment HH to the OATT, the upgrades will be described in Appendix A to this Agreement and constructed in accordance with the applicable construction agreement. If the Facility is subject to an Affected System Study for potential impacts to an External Affected System, the status of the Affected System Study and any identified Affected System Network Upgrades on the External Affected System will be described in Appendix A to this Agreement.

11.5 Provision of Security.

[If this Agreement is for a Generating Facility or Cluster Study Transmission Project participating in a Cluster Study Process that accepted, or is agreeing under this Agreement to accept, as applicable its Project Cost Allocation for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades and has posted, or is agreeing to post, the related Security in the Cluster Study Process, this provision will be replaced with the following: Attachment HH to the ISO OATT shall govern the Security that Interconnection Customer provided for, as applicable, Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and/or System Deliverability Upgrades for a Generating Facility or Cluster Study Transmission Project that participated in a Cluster Study.]

At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Connecting Transmission Owner's Attachment Facilities, Interconnection Customer shall provide Connecting Transmission Owner, at Interconnection Customer's option, a guarantee, a letter of credit or other form of security that is reasonably acceptable to Connecting Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 of this Agreement. Such security for payment shall be in an amount sufficient to cover the cost for Interconnection Customer's share of constructing, procuring and installing the applicable portion of Connecting Transmission Owner's Attachment Facilities, and shall be reduced on a dollar-for-dollar basis for payments made to Connecting Transmission Owner for these purposes.

In addition:

11.5.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of Connecting Transmission Owner, and contains terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

11.5.2 The letter of credit must be issued by a financial institution reasonably acceptable to Connecting Transmission Owner and must specify a reasonable expiration date.

11.5.3 Attachment HH to the ISO OATT shall govern the Security that Interconnection Customer provided for System Upgrade Facilities and System Deliverability Upgrades for a Generating Facility or Class Year Transmission Project that participated in a Class Year Study.

11.6 Interconnection Customer's Compensation for Emergency Services.

If, during an Emergency State, Interconnection Customer provides services at the request or direction of the NYISO or Connecting Transmission Owner, Interconnection Customer will be compensated for such services in accordance with the ISO Services Tariff.

11.7 Line Outage Costs.

Notwithstanding anything in the ISO OATT to the contrary, the Connecting Transmission Owner may propose to recover line outage costs associated with the installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades on a case-by-case basis.

ARTICLE 12. INVOICE

12.1 General.

Interconnection Customer and Connecting Transmission Owner shall each submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. Interconnection Customer and Connecting Transmission Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice.

Within six months after completion of the construction of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades, Connecting Transmission Owner shall provide an invoice of the final cost of the construction of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades, determined in accordance with Attachment HH to the ISO OATT, and shall set forth such costs in sufficient detail to enable Interconnection Customer to

compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Connecting Transmission Owner shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment.

Invoices shall be rendered to the paying Party at the address specified in Appendix F hereto. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices will not constitute a waiver of any rights or claims the paying Party may have under this Agreement.

12.4 Disputes.

In the event of a billing dispute between Connecting Transmission Owner and Interconnection Customer, Connecting Transmission Owner shall continue to perform under this Agreement as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Connecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Connecting Transmission Owner may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

13.1 Obligations.

Each Party shall comply with the Emergency State procedures of NYISO, the Applicable Reliability Councils, of Applicable Laws and Regulations, and any emergency procedures agreed to by the NYISO Operating Committee.

13.2 Notice.

NYISO or, as applicable, Connecting Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency State that affects the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Facility or the Interconnection Customer's Attachment Facilities. Interconnection Customer shall notify NYISO and Connecting Transmission Owner promptly when it becomes aware of an Emergency State that affects the Facility or the Interconnection Customer's Attachment Facilities that may reasonably be expected to affect the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities. To the extent information is known, the notification shall describe the Emergency State, the extent of the damage or deficiency, the

expected effect on the operation of Interconnection Customer's or Connecting Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 Immediate Action.

Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Connecting Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Facility or the Interconnection Customer's Attachment Facilities in response to an Emergency State either declared by NYISO, Connecting Transmission Owner or otherwise regarding New York State Transmission System.

13.4 NYISO and Connecting Transmission Owner Authority.

13.4.1 General.

NYISO or Connecting Transmission Owner may take whatever actions with regard to the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities it deems necessary during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

NYISO and Connecting Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Facility or the Interconnection Customer's Attachment Facilities. NYISO or Connecting Transmission Owner may, on the basis of technical considerations, require the Facility to mitigate an Emergency State by taking actions necessary and limited in scope to remedy the Emergency State, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Facility; implementing a reduction or disconnection pursuant to Article 13.4.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Facility and the Interconnection Customer's Attachment Facilities. Interconnection Customer shall comply with all of the NYISO and Connecting Transmission Owner's operating instructions concerning Facility real power and reactive power output within the manufacturer's design limitations of the Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.4.2 Reduction and Disconnection.

NYISO or Connecting Transmission Owner may reduce generation or transmission from or disconnect the Facility or the Interconnection Customer's Attachment Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to an Emergency State. These rights are separate and distinct from any right of Curtailment of NYISO pursuant to the ISO OATT. When NYISO or Connecting Transmission Owner can schedule the reduction or disconnection in advance, NYISO or Connecting Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or

disconnection. NYISO or Connecting Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer and the New York State Transmission System. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Facility, the Attachment Facilities, and the New York State Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.5 Interconnection Customer Authority.

Consistent with Good Utility Practice and this Agreement, Interconnection Customer may take whatever actions or inactions with regard to the Facility or the Interconnection Customer's Attachment Facilities during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the Facility or the Interconnection Customer's Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities. NYISO and Connecting Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.6 Limited Liability.

Except as otherwise provided in Article 11.6 of this Agreement, no Party shall be liable to another Party for any action it takes in responding to an Emergency State so long as such action is made in good faith and is consistent with Good Utility Practice and the NYISO Tariffs.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements.

Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

14.2.2 This Agreement is subject to all Applicable Laws and Regulations.

14.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 15. NOTICES

15.1 General.

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F hereto.

A Party may change the notice information in this Agreement by giving five (5) Business Days written notice prior to the effective date of the change.

15.2 Billings and Payments.

Billings and payments shall be sent to the addresses set out in Appendix F hereto.

15.3 Alternative Forms of Notice.

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Appendix F hereto.

15.4 Operations and Maintenance Notice.

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, and NYISO, in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10 of this Agreement.

ARTICLE 16. FORCE MAJEURE

Economic hardship is not considered a Force Majeure event. A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, (including obligations under Article 4 of this Agreement), other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory

to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.2 Right to Terminate.

If a Breach is not cured as provided in this Article 17, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity.

Each Party (the "Indemnifying Party") shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an "Indemnified Party") from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a "Loss"), arising out of or resulting from (i) the Indemnified Party's performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

18.1.1 Indemnified Party.

If a Party is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1.3, to assume the defense of such claim, such Indemnified Party may at the

expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party.

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 18, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed.

18.2 No Consequential Damages.

Other than the liquidated damages heretofore described and the indemnity obligations set forth in Article 18.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in

part in contract, in tort, including negligence, strict liability, or any other theory of liability; *provided, however*, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance.

Interconnection Customer and Connecting Transmission Owner shall each, at its own expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

18.3.2 Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage ("ISO CG") Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars ($2,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

18.3.5 Excess Liability Insurance over and above the Employers' Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence and Twenty Million Dollars ($20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of Interconnection Customer and Connecting Transmission Owner shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG

20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. Interconnection Customer and Connecting Transmission Owner shall each be responsible for its respective deductibles or retentions.

18.3.8 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by Interconnection Customer and Connecting Transmission Owner.

18.3.9 If applicable, Pollution Liability Insurance in an amount no less than $7,500,000 per occurrence and $7,500,000 in the aggregate. The policy will provide coverage for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

18.3.10 The requirements contained herein as to the types and limits of all insurance to be maintained by Interconnection Customer and Connecting Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

18.3.11 Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customer and Connecting Transmission Owner shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

18.3.12 Notwithstanding the foregoing, Interconnection Customer and Connecting Transmission Owner may each self-insure to meet the minimum insurance requirements of Articles 18.3.1 through 18.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.1 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 18.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Articles 18.3.1 through 18.3.9 and provide evidence of such coverages. For any period of

time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.1 through 18.3.9.

18.3.13 Interconnection Customer and Connecting Transmission Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

18.3.14 Subcontractors of each party must maintain the same insurance requirements stated under Articles 18.3.1 through 18.3.9 and comply with the Additional Insured requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 19. ASSIGNMENT

This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, including the Attachment Facilities it owns, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or Connecting Transmission Owner, for collateral security purposes to aid in providing financing for the Facility, provided that Interconnection Customer will promptly notify the NYISO and Connecting Transmission Owner of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and Connecting Transmission Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and Connecting Transmission Owner with proof that it meets the requirements of Articles 11.5 and 18.3. If the Facility is made up of more than one resource, a Party may only assign this Agreement for the entire Facility and may not divide the Agreement into separate agreements for the individual resources that constitute the Facility. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement; provided that if Interconnection Customer (or any third party, but

only if such third party is not acting at the direction of the Connecting Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the rights and obligations of Interconnection Customer and Connecting Transmission Owner shall be governed solely by the Standard Option (Article 5.1.1).

ARTICLE 21. COMPARABILITY

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 22.

If requested by a Party receiving information, the Party supplying the information shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.2 Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.3 Confidential Information.

The following shall constitute Confidential Information: (1) any non-public information that is treated as confidential by the disclosing Party and which the disclosing Party identifies as Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2) information designated as Confidential Information by the NYISO Code of Conduct contained in Attachment F to the ISO OATT.

22.4 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential;

(4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 22.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.5 Release of Confidential Information.

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

22.6 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by any Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

22.7 No Warranties.

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

22.8 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under this Agreement or its regulatory requirements, including the ISO OATT and ISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the ISO OATT.

22.9 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.10 Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.

22.11 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.12 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement or the ISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying

the other Parties to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

22.13 Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the ISO OATT or the ISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. INTERCONNECTION CUSTOMER AND CONNECTING TRANSMISSION OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Facility or the Attachment Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENT

24.1 Information Acquisition.

Connecting Transmission Owner and Interconnection Customer shall each submit specific information regarding the electrical characteristics of their respective facilities to the other, and to NYISO, as described below and in accordance with Applicable Reliability

Standards.

24.2 Information Submission by Connecting Transmission Owner.

The initial information submission by Connecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to the Synchronization Date and shall include New York State Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner and set forth in the Milestones table in Appendix B to this Agreement. On a monthly basis, Connecting Transmission Owner or Interconnection Customer, as applicable, shall provide the other Parties with a status report on the construction and installation of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades for which it is responsible, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Interconnection Customer.

The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Synchronization Date, unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner and set forth in the Milestone table in Appendix B to this Agreement. Interconnection Customer shall submit a completed copy of the Facility data requirements contained in, as applicable, Appendix 1 to the Standard Large Facility Interconnection Procedures in Attachment X to the OATT or Appendix 1 to the Standard Interconnection Procedures in Attachment HH to the OATT. It shall also include any additional information provided to Connecting Transmission Owner for the Class Year Study or Cluster Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is different from what Interconnection Customer originally provided to Connecting Transmission Owner and NYISO in its Interconnection Request or, if applicable, pursuant to an Class Year Study Agreement among Connecting Transmission Owner, NYISO and Interconnection Customer and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then NYISO will conduct appropriate studies to determine the impact on the New York State Transmission System based on the actual data submitted pursuant to this Article 24.3. Such studies will provide an estimate of any additional modifications to the New York State Transmission System, Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades based on the actual data and a good faith estimate of the costs thereof. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

The Interconnection Customer shall be responsible for the cost of any modifications required by the actual data, including the cost of any required studies.

24.4 Information Supplementation.

Prior to the Commercial Operation Date, Interconnection Customer and Connecting Transmission Owner shall supplement their information submissions described above in this Article 24 with any and all "as-built" Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. If the Facility is a Class Year Transmission Project or Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the testing requirements established in this Article 24.4 that are appropriate for the transmission facility.

Interconnection Customer shall conduct tests on the Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Facility to verify proper operation of the Facility's automatic voltage regulator. Unless otherwise agreed, the test conditions shall include: (1) Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Facility terminal or field voltages is provided. Facility testing shall be conducted and results provided to the Connecting Transmission Owner and NYISO for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, Interconnection Customer shall provide Connecting Transmission Owner and NYISO any information changes due to equipment replacement, repair, or adjustment. Connecting Transmission Owner shall provide Interconnection Customer and NYISO any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Connecting Transmission Owner substation that may affect the Interconnection Customer's Attachment Facilities equipment ratings, protection or operating requirements. Interconnection Customer and Connecting Transmission Owner shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

25.1 Information Access.

Each Party ("Disclosing Party") shall make available to another Party ("Requesting Party") information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 of this Agreement and to enforce their rights under

this Agreement.

25.2 Reporting of Non-Force Majeure Events.

Each Party (the "Notifying Party") shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

25.3 Audit Rights.

Subject to the requirements of confidentiality under Article 22 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, and each Party's actions in an Emergency State. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4 of this Agreement.

25.4 Audit Rights Periods.

25.4.1 Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades shall be subject to audit for a period of twenty-four months following Connecting Transmission Owner's issuance of a final invoice in accordance with Article 12.2 of this Agreement.

25.4.2 Audit Rights Period for All Other Accounts and Records.

Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 25.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

25.5 Audit Results.

If an audit by a Party determines that an overpayment or an underpayment has occurred, a

notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

26.1 General.

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; *provided, however*, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

26.2 Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; *provided, however*, that in no event shall the NYISO or Connecting Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance.

The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

27.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the Dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

27.2 External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral

arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; *provided, however*, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

27.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

27.4 Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) one-third the cost of the single arbitrator jointly chosen by the Parties.

27.5 Termination.

Notwithstanding the provisions of this Article 27, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

28.1 General.

Each Party makes the following representations, warranties and covenants:

28.1.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the

state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Facility, Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades owned by such Party, as applicable, are located or interconnect; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

28.1.2 Authority.

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

28.1.3 No Conflict.

The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 29. MISCELLANEOUS

29.1 Binding Effect.

This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

29.2 Conflicts.

If there is a discrepancy or conflict between or among the terms and conditions of this cover agreement and the Appendices hereto, the terms and conditions of this cover agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

29.3 Rules of Interpretation.

This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures, as the case may be; (6) "hereunder," "hereof," "herein," "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including," "to" means "to but excluding" and "through" means "through and including."

29.4 Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, the ISO OATT, ISO Procedures, and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

29.5 Joint and Several Obligations.

Except as otherwise stated herein, the obligations of NYISO, Interconnection Customer, and Connecting Transmission Owner are several, and are neither joint nor joint and several.

29.6 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

29.7 No Third Party Beneficiaries.

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and permitted their assigns.

29.8 Waiver.

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO and Connecting Transmission Owner in accordance with the provisions of the ISO OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

29.9 Headings.

The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

29.10 Multiple Counterparts.

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

29.11 Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all three of the Parties.

29.12 Modification by the Parties.

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all three of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

29.13 Reservation of Rights.

NYISO and Connecting Transmission Owner shall have the right to make unilateral filings with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and

Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

29.14 No Partnership.

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

29.15 Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customer shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the System Upgrade Facilities and System Deliverability Upgrades.

29.16 Modifications Related to NYISO's Compliance with Order No. 2023

If, as part of the NYISO's compliance proceeding at the Commission in response to Order No. 2023, the Commission directs that the NYISO modify the *pro forma* Standard Interconnection Agreement located in Appendix 15 of Attachment HH to the ISO OATT, the Parties shall amend and restate this Agreement to incorporate the modifications; *provided, however,* the Parties may agree to include in the amended and restated agreement non-conforming changes to any terms of the *pro forma* Standard Interconnection Agreement that have been modified to comply with the Commission's order, which non-conforming modifications must be filed with the Commission for its acceptance.

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

New York Independent System Operator, Inc.

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Connecting Transmission Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Facility, Attachment Facilities, and Upgrades

Appendix B

Milestones

Appendix C

Operating Requirements

Appendix D

Security Arrangements Details

Appendix E-1

Synchronization Date

Appendix E-2

Commercial Operation Date

Appendix F

Addresses for Delivery of Notices and Billings

APPENDIX A

FACILITY, ATTACHMENT FACILITIES, AND UPGRADES

1. Description of Facility

[Insert description of Facility]

2. Point(s) of Interconnection and Point(s) of Change of Ownership

(a) Point(s) of Interconnection ("POI"). *[Insert description of Point of Interconnection]*

(b) Point(s) of Change of Ownership ("PCO"). *[Insert description of Point of Change of Ownership]*

The POI and PCO are detailed on the simplified one-line diagram in Appendix A.

3. Attachment Facilities:

(a) Interconnection Customer's Attachment Facilities ("ICAFs")

[Insert description of any Interconnection Customer's Attachment Facilities]

(b) Connecting Transmission Owner's Attachment Facilities ("CTOAFs")

[Insert description of any Connecting Transmission Owner's Attachment Facilities]

4. System Upgrade Facilities ("SUFs"):

(a) Stand Alone System Upgrade Facilities

[Insert description of any Stand-Alone SUFs.]

(b) Other System Upgrade Facilities

[Insert description of any Other System Upgrade Facilities]

5. Distribution Upgrades

[*Insert description of any Distribution Upgrades]*

6. Affected Systems

[Insert description of any System Upgrade Facilities for Affected Systems and reference related Standard Upgrades Construction Agreement and Standard Multiparty Upgrades Construction Agreement]

7. External Affected Systems

[Insert description of any upgrades required on External Affected Systems.]

8. System Deliverability Upgrades:

[Insert description of any System Deliverability Upgrade.]

9. Cost Estimates

[Insert cost table for Connecting Transmission Owner's Attachment Facilities and Upgrades drawn from the Class Year Study or Cluster Study]

10. Operating & Maintenance Expenses for CTOAFs

[Connecting Transmission Owner to insert operating and maintenance cost recovery requirements for Connecting Transmission Owner's Attachment Facilities.]

11. Interconnection Customer's Estimated Tax Liability

[Pursuant to Section 5.17.4, to insert Interconnection Customer's estimated tax liability in the event taxes are imposed.]

12. Contingent Facilities

Figure A-1

Simplified One-Line Diagram

[Parties to insert simplified one-line diagram that clearly shows Facility, Attachment Facilities, Upgrades, POI, and PCO]

APPENDIX B

MILESTONES

1. Selected Option Pursuant to Article 5.1

[To specify which option Interconnection Customer selected pursuant to Article 5.1 concerning the CTOAFs and Stand-Alone SUFs.]

2. Milestones

[To insert]

3. Security

[Insert description of the Security form and amount provided by Interconnection Customer in the Class Year Study or Cluster Study for CTOAFs, SUFs, and/or SDUs and insert description of any additional Security required for CTOAFs in accordance with Section 11.5 of this Agreement.]

4. Site Control

Check box if applicable [ ]

Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by [NYISO to insert date one hundred eighty (180) Calendar Days from the Effective Date of this Agreement] or the Agreement may be terminated per Article 17 (Default) of this Agreement.

APPENDIX C –

OPERATING REQUIREMENTS

1. Interconnection Customer Operating Requirements

[To insert any additional operating requirements.]

2. *[Primary Frequency Response Operating Range]*

[To insert if applicable]

3. *[Operating Requirements Variations for Class Year Transmission Project or Cluster Study Transmission Project]*

[To insert if applicable]

APPENDIX D

SECURITY ARRANGEMENTS DETAILS

Infrastructure security of New York State Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day New York State Transmission System reliability and operational security. The Commission will expect the NYISO, all Transmission Owners, all Interconnection Customers and all other Market Participants to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

APPENDIX E-1

SYNCHRONIZATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Facility

Dear _____:

On **[Date] [Interconnection Customer]** initially synchronized the Facility [specify units, if applicable]. This letter confirms that [Interconnection Customer]'s Synchronization Date was [specify].

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX E-2

COMMERCIAL OPERATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Facility

Dear _____:

On **[Date] [Interconnection Customer]** has completed Trial Operation of Unit No. ___. This letter confirms that [Interconnection Customer] commenced Commercial Operation of Unit No. ___ at the Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F – ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone or email):

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

40.25.16 APPENDIX 16 TO ATTACHMENT HH

STANDARD UPGRADE CONSTRUCTION AGREEMENT

SERVICE AGREEMENT NO. [*]

SERVICE AGREEMENT NO. [●]

STANDARD UPGRADE CONSTRUCTION AGREEMENT

AMONG THE

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.,

AND

[INSERT SYSTEM OWNER]

AND

[INSERT INTERCONNECTION CUSTOMER]

Dated as of *[insert execution date]*

Project Name: *[insert project name]*

Queue Position No(s): *[insert queue number(s)]*

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STANDARD UPGRADE CONSTRUCTION AGREEMENT

THIS STANDARD UPGRADE CONSTRUCTION AGREEMENT ("Agreement") is made and entered into this __ day of __ 20__, by and among: _____, a [corporate description] organized and existing under the laws of State/Commonwealth of_____ ("Interconnection Customer"), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of_____ ("System Owner"), and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"). Interconnection Customer, the NYISO, or System Owner each may be referred to as a "Party" or collectively referred to as the "Parties."

RECITALS

[To insert one of the following recitals based on Interconnection Customer's project:

Application 1:

WHEREAS, *Interconnection Customer is developing a [insert generation/transmission project] identified as [insert project name] with NYISO Queue Position No. [*] [("Facility")] that will interconnect to certain transmission facilities of [insert Connecting Transmission Owner's name] ("Connecting Transmission Owner") that are part of the New York State Transmission System or Distribution System;*

WHEREAS, *Interconnection Customer [has entered/will enter] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of the Facility;*

Application 2:

WHEREAS, *Interconnection Customer is an Affected System Interconnection Customer developing a [insert generation/transmission] project ("Facility") that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [*];*

WHEREAS, *Interconnection Customer [has entered/will enter] into any required interconnection agreement for its Facility with the [insert name of host transmission region];*

[To insert one of the following alternatives based on the application of this Agreement:

Application 1:

WHEREAS*, the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facility to interconnect reliably to the New York State Transmission System or*

Distribution System in a manner that meets the NYISO Minimum Interconnection Standard ("Upgrades");

Application 2:

WHEREAS, *the NYISO's [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the "Custer Study Deliverability Study")/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the "Class Year Deliverability Study)] determined that certain System Deliverability Upgrades are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facility to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facility's requested level of Capacity Resource Interconnection Service ("Upgrades");]*

Application 3:

WHEREAS, *the NYISO's Affected System Study determined that certain Affected System Network Upgrades are required to be constructed on the Affected System owned by they System Owner as the Affected System Operator in connection with the Facility's interconnection in [insert name of host transmission region];*

WHEREAS, the [*Cluster Study/ Cluster Study Deliverability Study/Class Year Interconnection Facilities Study/ Class Year Deliverability Study/Affected System Study*] has determined the cost estimate for the engineering, procurement, and construction of the Upgrades ("Upgrades Estimated Total Cost Amount");

WHEREAS, Interconnection Customer and System Owner desire to *[perform/have Interconnection Customer perform/have System Owner perform], and [they are willing to perform/Interconnection Customer is willing to perform/System Owner is willing to perform]*, the engineering, procurement, and construction services required to construct the Upgrades ("Construction Services") in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, Interconnection Customer, System Owner, and the NYISO have agreed to enter into this Agreement for the purpose of allocating the responsibilities for the performance and oversight of the Construction Services required to construct the Upgrades;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the OATT, Section 40.1 of Attachment HH to the OATT, Section 30.1 of Attachment X to the ISO OATT, Section 25.1.2 of Attachment S to the OATT, the body of the Standard Interconnection Procedures or Standard Facility Interconnection Procedures, or the body of this Agreement.

Affected System shall mean an electric system within the New York Control Area other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a Facility to a transmission system other than New York State Transmission System that may cause the need for Affected System Network Upgrades on the New York State Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to the New York State Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System.

Affected System Operator shall mean the entity that operates an Affected System. Affected System Operator includes the Affected Transmission Owners.

Affected System Study shall mean the NYISO's evaluation of the impacts on the New York State Transmission System of an Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System, as described in Section 40.8.3 of Attachment HH to the OATT.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachments P, S, X, Z, or HH to the ISO OATT.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Requirements shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section 40.12.1.2 of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment;

provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which the Interconnection Customer's Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

Breach shall mean the failure of a Party to perform or observe any material term or condition of this Agreement.

Breaching Party shall mean a Party that is in Breach of this Agreement.

Business Day shall mean Monday through Friday, excluding federal holidays.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

Class Year Interconnection Facilities Study ("Class Year Study") shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Transmission Project shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Cluster Study shall mean the study conducted, as applicable, by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System

Upgrade Facilities and System Deliverability Upgrades), the cost of those facilities, and the time required to interconnect the Generating Facility or Cluster Study Transmission Project with the New York State Transmission System or with the Distribution System. The Cluster Study includes the Phase 1 Study and the Phase 2 Study.

Cluster Study Transmission Project shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Cluster Study Transmission Project without having to re-dispatch generation. Cluster Study Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Completion Date shall mean the date on which, as applicable, the System Owner or Interconnection Customer has completed the Construction Services, as set forth in Appendix A.

Confidential Information shall mean any information that is defined as confidential by Article 15 of this Agreement.

Connecting Transmission Owner shall have the meaning set forth in the recitals.

Construction Services shall have the meaning set forth in the recitals and shall consist of the services described in Appendix A.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 10 of this Agreement.

Distribution System shall mean the Connecting Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the NYISO's Standard Interconnection Procedures in Attachment HH under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Effective Date shall mean the date on which this Agreement becomes effective in accordance with Article 2.1 of this Agreement.

Electric Reliability Organization ("ERO") shall mean the North American Electric Reliability Corporation or its successor organization.

Environmental Law shall mean Applicable Laws and Regulations relating to pollution or protection of the environment or natural resources.

Facility shall mean, as applicable, the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project interconnecting to the New York State Transmission System or Distribution System or, for an Affected System Interconnection Customer, the generation or transmission facility interconnecting to another region's transmission system. For purpose of this agreement, the Facility is the generation or transmission facility identified in the Recitals.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.* ("FPA").

FERC shall mean the Federal Energy Regulatory Commission ("Commission") or its successor.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Attachment Facilities or Distribution Upgrades. A facility comprised of multiple Generators will be treated as a single Generating Facility if the facility proposed in the Interconnection Request is comprised of multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over any of the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; *provided, however*, that such term does not include Interconnection Customer, the NYISO, Affected Transmission Owner, Affected System Operator, Connecting Transmission Owner, or any Affiliate thereof.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any

other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

In-Service Date shall mean the date upon which the Upgrades are energized consistent with the provisions of this Agreement, notice of which must be provided to the other Parties by, as applicable, the Interconnection Customer or System Owner in the form of Appendix C.

Interconnection Agreement shall mean, as applicable, the Standard Interconnection Agreement or Standard Large Generator Interconnection Agreement, or, if a Facility is interconnecting to another region's transmission system, the interconnection agreement entered into in that region.

Interconnection Customer shall mean, as applicable, an Interconnection Customer as defined in Attachment HH to the ISO OATT, a Developer as defined in Attachments S and X of the ISO OATT, or an Affected System Interconnection Customer as defined in Attachment HH to the ISO OATT. For purposes of this Agreement, the Interconnection Customer shall have the meaning set forth in the introductory paragraph.

Interconnection Request shall mean Interconnection Customer's request, in the form of Appendix 1 to Attachment X to the ISO OATT or Appendix 1 to Attachment HH to the ISO OATT, to interconnect a new Facility to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Facility that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer.

IRS shall mean the Internal Revenue Service.

ISO Services Tariff shall mean the NYISO's Market Administration and Control Area Services Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

ISO OATT shall mean the NYISO's Open Access Transmission Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Milestones shall mean the milestones for the performance of the Construction Services, as set forth in Appendix A.

New York State Transmission System shall mean the entire New York State electric transmission system, which includes (i) the Transmission Facilities under NYISO Operational Control; (ii) the Transmission Facilities Requiring ISO Notification; and (iii) all remaining transmission facilities within the New York Control Area.

Notice of Dispute shall mean a written notice of a dispute or claim pursuant to Article 20 of this Agreement that arises out of or in connection with this Agreement or its performance.

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYISO Tariffs shall mean the ISO OATT and ISO Services Tariff.

NYSRC shall mean the New York State Reliability Council or its successor organization.

Party or Parties shall have the meaning set forth in the introductory paragraph.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Standard Upgrade Construction Agreement shall mean this Agreement.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System and Distribution System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

System Owner shall mean, as applicable, the Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner. For purposes of this Agreement, the System Owner shall be defined in the introductory paragraph.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Upgrades shall mean, as applicable, System Upgrade Facilities, System Deliverability Upgrade Facilities, or Affected Network Upgrade Facilities. For purposes of this Agreement, the Upgrades shall have the meaning set forth in the recitals and shall be described in Appendix A.

Upgrades Estimated Total Cost Amount shall have the meaning set forth in the recitals, which costs are specified in Appendix A.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date.

This Agreement shall become effective upon the date of execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO,

and if applicable, the Affected Transmission Owner, shall promptly file this Agreement with FERC upon execution, if required, in accordance with the requirements in the OATT. Interconnection Customer and System Owner shall reasonably cooperate with the NYISO with respect to the filing of this Agreement with FERC and provide any information reasonably requested by the NYISO needed for such filing.

2.2 Term of Agreement.

Subject to the provisions of Article 2.3, this Agreement shall remain in effect until the later of: (i) the Completion Date, and (ii) the date on which the final payment of all invoices issued under this Agreement have been made pursuant to Articles 6.1 and 6.3 and any remaining Security has been released or refunded pursuant to Article 6.2.

2.3 Termination.

2.3.1 Completion of Term of Agreement

This Agreement shall terminate upon the completion of the term of the Agreement pursuant to Article 2.2.

2.3.2 Written Notice.

This Agreement may be terminated:

(i) by the mutual agreement in writing of all of the Parties; or

(ii) by the NYISO and System Owner if the Standard Interconnection Agreement for the Facility is terminated in accordance with the requirements in the Standard Interconnection Agreement.

[If this agreement concerns the construction of Affected Network Upgrade Facilities, replace (ii) with the following:

(ii) by the NYISO and System Owner upon their receipt of notification by the Interconnection Customer that the interconnection agreement for its Facility has been terminated in accordance with the requirements in its host transmission region or, if an interconnection agreement is not required for its Facility, that its Facility has ceased development or operation in accordance with the requirements of its host transmission region];

[If this agreement concerns the construction of a Highway System Deliverability Upgrade, replace (ii) with the following:

(ii) by the NYISO after giving the other Parties thirty (30) Calendar Days advance written notice following its determination that the threshold for triggering the construction of the Upgrades set forth in, as applicable, Section 25.7.12.3.1 of Attachment S or Section 40.13.12.3.1 of Attachment HH to the OATT is no longer met.]

2.3.3 Default.

Any Party may terminate this Agreement to the extent permitted under Article 10 and Article 20.

2.3.4 Compliance.

Notwithstanding Articles 2.3.1, 2.3.2, and 2.3.3, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

2.4 Termination Costs.

If this Agreement is terminated pursuant to Articles 2.3.2 or 2.3.3 above, the Interconnection Customer shall be responsible for all costs that are the responsibility of the Interconnection customer under this Agreement that are incurred by the Interconnection Customer or other Parties through the date the Parties agree in writing to terminate the agreement or through the date of the Interconnection Customer's receipt of a notice of termination. Such costs include any cancellation costs relating to orders or contracts concerning the Construction Services or Upgrades. In the event of termination, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of the Upgrades for which the System Owner or Interconnection Customer (the "Constructing Party") are responsible for constructing or installing under this Agreement and that have not yet been constructed or installed, the Constructing Party shall, to the extent possible and with the other Party's (*i.e.*, the System Owner or Interconnection Customer, as applicable) authorization, cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, the Upgrades; provided that in the event the other Party elects not to authorize such cancellation, the other Party shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Constructing Party shall deliver such material and equipment, and, if necessary, assign such contracts, to the other Party as soon as practicable, at the other Party's expense. To the extent that the other Party has already paid the Constructing Party for any or all such costs of materials or equipment not taken by the other Party, the Constructing Party shall promptly refund such amounts to the other Party, less any costs, including penalties incurred by the Constructing Party to cancel any pending orders of or return such materials, equipment, or contracts.

2.4.2 The Constructing Party may, at its option, retain any portion of such materials or equipment that the other Party chooses not to accept delivery of, in which case the Constructing Party shall be responsible for all costs associated with procuring such materials or equipment.

2.4.3 With respect to any portion of the Construction Services already performed pursuant to the terms of this Agreement, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such related

materials, equipment, or facilities and such other expense actually incurred by System Owner to return its system to safe and reliable operation.

2.5 Survival.

This Agreement shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder; including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit Interconnection Customer and System Owner each to have access to the lands of the other pursuant to this Agreement or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

2.6 No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 3. CONSTRUCTION SERVICES

3.1 Performance of Construction Services.

System Owner shall be responsible for performing the Construction Services. At System Owner's sole discretion, System Owner may agree with Interconnection Customer for Interconnection Customer to perform such services. System Owner's and Interconnection Customer's respective obligations concerning the Construction Services shall be set forth in Appendix A hereto. System Owner and Interconnection Customer shall each use Reasonable Efforts to complete the Construction Services for which it has responsibility by the Milestone dates set forth in Appendix A hereto. The System Owner shall not be required to undertake any action which is inconsistent with the System Owner's standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. The NYISO has no responsibility, and shall have no liability, for the performance of any of the Construction Services under this Agreement.

3.2 General Conditions Applicable to Interconnection Customer's Performance of the Construction Services.

If System Owner and Interconnection Customer agree pursuant to Section 3.1 for Interconnection Customer to be responsible for the design, procurement, and/or construction of any Upgrades as set forth in Appendix A, the following conditions apply:

3.2.1 Interconnection Customer shall engineer, procure equipment, and construct the Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by System Owner;

3.2.2 Interconnection Customer's engineering, procurement and construction of the Upgrades shall comply with all requirements of law to which System Owner would be subject in the engineering, procurement or construction of the Upgrades;

3.2.3 System Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Upgrades;

3.2.4 Prior to the commencement of construction, Interconnection Customer shall provide System Owner and NYISO a schedule for construction of the Upgrades, and shall promptly respond to requests for information from System Owner or NYISO;

3.2.5 At any time during construction, System Owner shall have the right to gain unrestricted access to the Upgrades and to conduct inspections of the same;

3.2.6 At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Upgrades not meet the standards and specifications provided by System Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Upgrades;

3.2.7 Interconnection Customer shall indemnify System Owner and NYISO for claims arising from Interconnection Customer's construction of Upgrades under procedures applicable to Article 11.1 Indemnity;

3.2.8 Interconnection Customer shall transfer control of Upgrades to System Owner;

3.2.9 Unless Interconnection Customer and System Owner otherwise agree, Interconnection Customer shall transfer ownership of Upgrades to System Owner;

3.2.10 System Owner shall approve and accept for operation and maintenance the Upgrades to the extent engineered, procured, and constructed in accordance with this Article 3.2;

3.2.11 Interconnection Customer shall deliver to NYISO and System Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or System Owner to assure that the Upgrades are built to the standards and specifications required by System Owner; and

3.2.12 Interconnection Customer shall pay the System Owner the agreed upon amount of [$ PLACEHOLDER] for the System Owner to execute the responsibilities enumerated to System Owner under Article 3.2. System Owner shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 6.

3.3 Design and Equipment Procurement

If responsibility for construction of the Upgrades is to be borne by the System Owner, then the System Owner shall commence the design and procurement of the Upgrades for which it is responsible as soon as practicable after all of the following conditions are satisfied, unless the Interconnection Customer and System Owner otherwise agree in writing:

3.3.1 NYISO has completed, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study;

3.3.2 The NYISO has completed the required cost allocation analyses, and Interconnection Customer has accepted its Project Cost Allocation for the Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT.

3.3.3 System Owner has received written authorization to proceed with design and procurement of the Upgrades from the Interconnection Customer by the date specified in Appendix A hereto; and

3.3.4 Interconnection Customer has provided Security to the System Owner for the design and procurement of the Upgrades in accordance with Article 5 by the date(s) specified in Appendix A hereto.

3.4 Construction Commencement

System Owner shall commence construction of the Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied.

3.4.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

3.4.2 Necessary real property rights and rights-of-way have been obtained, to the extent required, for the construction of a discrete aspect of the Upgrades;

3.4.3 System Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix A hereto; and

3.4.4 Interconnection Customer has provided security to the System Owner for the construction of the applicable facilities in accordance with Article 5.2 by the date(s) specified in Appendix A hereto.

3.5 Work Progress.

The Interconnection Customer and System Operator will keep each other, and NYISO, advised periodically as to the progress of its respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from the Interconnection Customer or System Owner.

3.6 Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customer and System Owner shall exchange information, and provide NYISO the same information, regarding the design of the Upgrades and compatibility of the Upgrades with the New York State Transmission System and shall work diligently and in good faith to make any necessary design changes. Interconnection Customer shall inform the System Owner and NYISO of any termination of the Interconnection Agreement for the Facility within ten (10) Calendar Days of the termination of the Interconnection Agreement.

3.7 Ownership and Control of Upgrades.

System Owner shall own the Upgrades as described in Appendix A. The System Owner's and, if applicable, NYISO's operational control of the Upgrades upon the completion of the facilities shall be described in Appendix A.

3.8 Access Rights.

Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the System Owner or Interconnection Customer ("Granting Party") shall furnish to the other of those two Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress required for the performance of the Construction Services, including to construct, repair, test (or witness testing), inspect, replace or remove the Upgrades. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

3.9 Lands of Other Property Owners.

If any part of the Upgrades will be installed on property owned by persons other than the Interconnection Customer or System Owner, the System Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary for the performance of the Construction Services upon such property by the System Owner or Interconnection Customer, including to construct, repair, operate, maintain, test (or witness testing), inspect, replace or remove the Upgrades.

3.10 Permits.

NYISO, Interconnection Customer, and System Owner shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish

the Construction Services in compliance with Applicable Laws and Regulations. With respect to this paragraph, System Owner shall provide permitting assistance to the Interconnection Customer comparable to that provided to System Owner's own, or an Affiliate's generation facilities, if any.

3.11 Suspension

Interconnection Customer reserves the right, upon written notice to System Owner and NYISO, to suspend at any time all work by System Owner or Interconnection Customer, as applicable, associated with the construction and installation of the Upgrades required for only that Interconnection Customer's Facility, with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of System Owner and NYISO. In such event, such Interconnection Customer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment S or HH to the ISO OATT including those which System Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs as a result of the suspension of such work, including any costs incurred by System Owner to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New York State Transmission System during such suspension and, if applicable, any costs incurred by System Owner in connection with the cancellation or suspension of material, equipment and labor contracts which System Owner cannot reasonably avoid; *provided, however*, that prior to canceling or suspending any such material, equipment or labor contract, System Owner shall obtain such Interconnection Customer's authorization to do so.

System Owner shall invoice Interconnection Customer for such costs pursuant to Article 6 and shall use due diligence to minimize its costs. If Interconnection Customer suspends work required under this Agreement pursuant to this Article 3.11, and has, as applicable, either not recommenced work or requested System Owner to recommence its work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to System Owner and NYISO, if no effective date is specified.

3.12 Taxes.

3.12.1 Indemnification for Contributions in Aid of Construction.

With regard only to payments made by Interconnection Customer to System Owner for the installation of the Upgrades, System Owner shall not include a gross-up for income taxes in the amounts it charges Interconnection Customer for the installation of the Upgrades unless (1) System Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to System Owner should be reported as income subject to taxation, or (2) any Governmental Authority directs System Owner to report payments or property as income subject to taxation. Interconnection Customer shall reimburse System Owner for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from System Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by System Owner upon request of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.12.1, and to the extent permitted by law, to the extent that the receipt of such payments by System Owner is determined by any Governmental Authority to constitute income by System Owner subject to taxation, Interconnection Customer shall protect, indemnify, and hold harmless System Owner and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, System Owner shall provide Interconnection Customer with written notification within thirty (30) Calendar Days of such determination and notification. System Owner, upon the timely written request by Interconnection Customer and at Interconnection Customer's expense, shall appeal, protest, seek abatement of, or otherwise oppose such determination. System Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that System Owner shall cooperate and consult in good faith with Interconnection Customer regarding the conduct of such contest. Interconnection Customer shall not be required to pay System Owner for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which System Owner (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that System Owner is not liable for any portion of any tax, interest, and/or penalties for which Interconnection Customer has already made payment to System Owner, System Owner shall promptly refund to Interconnection Customer any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments System Owner receives or which System Owner may be entitled with respect to such payment. Interconnection Customer shall provide System Owner with credit assurances sufficient to meet Interconnection Customer's estimated liability for reimbursement of System Owner for taxes, interest, and/or penalties under this Article 3.12.1. Such estimated liability shall be stated in Appendix A.

To the extent that System Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: System Owner represents, and the Parties acknowledge, that System Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Interconnection Customer to System Owner for Upgrades is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by Interconnection Customer to System Owner for the Upgrades will be reimbursed to Interconnection Customer in accordance with the terms of this Agreement, provided Interconnection Customer fulfills its obligations under this Agreement.

3.12.2 Private Letter Ruling.

At Interconnection Customer's request and expense, System Owner shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Interconnection Customer to System Owner under this Agreement are subject to federal income taxation. Interconnection Customer will prepare the initial draft of the request for a private letter ruling and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Interconnection Customer's knowledge. System Owner and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

3.12.3 Other Taxes.

Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, System Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against System Owner for which Interconnection Customer may be required to reimburse System Owner under the terms of this Agreement. Interconnection Customer shall pay to System Owner on a periodic basis, as invoiced by System Owner, System Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and System Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to System Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by System Owner. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

3.13 Tax Status; Non-Jurisdictional Entities.

3.13.1 Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of System Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

3.13.2 Tax Status.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

3.14 Modification.

3.14.1 General

If, prior to the In-Service Date, the System Owner proposes to modify the Upgrades, the System Owner must provide to the NYISO at least ninety (90) Calendar Days in advance of the commencement of the work, or such shorter period upon which the Parties may agree, sufficient information for the NYISO to evaluate the impact of the proposed modification on, as applicable: (i) the reliable interconnection of Interconnection Customer's Facility to the New York State Transmission System or (ii) the reliability of the New York State Transmission System due to the Facility's interconnection to another region's transmission system. The NYISO's agreement to the proposed modification shall not be unreasonably withheld, conditioned, or delayed if the proposed modification is reasonably related to the interconnection of the Facility and will enable Interconnection Customer's Facility to reliably interconnect to the New York State Transmission System or ensure the reliability of the New York State Transmission System of the Facility's interconnection to another region's transmission system. If the cost of the modified Upgrades is greater than the estimated cost identified in the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study, the additional cost will be allocated in accordance with, as applicable, Sections 25.6.14.1 and 25.8.6 of Attachment S or Sections 40.12.1.5.1 and 40.16.3 of Attachment HH of the ISO OATT.

3.14.2 Standards.

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

3.14.3 Modification Costs.

Interconnection Customer shall not be assigned the costs of any additions, modifications, or replacements that System Owner makes to the Upgrades or the New York State Transmission System to facilitate the interconnection of a third party to the Upgrades or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment S or HH of the ISO OATT.

ARTICLE 4. TESTING AND INSPECTION

4.1 Initial Testing and Modifications.

Prior to the In-Service Date of the Upgrades, the System Owner or Interconnection Customer, as specified in Appendix A, shall test the Upgrades to ensure their safe and reliable operation. The Party responsible for constructing the Upgrades shall make any modifications to the Upgrades that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications

4.2 Right to Observe Testing.

The Party performing the testing shall notify the other Parties in advance of its performance of tests of the Upgrades. Each of the other Parties shall have the right, at its own expense, to observe such testing.

ARTICLE 5. PERFORMANCE OBLIGATIONS

5.1 Cost Responsibilities

Interconnection Customer and/or System Owner, as specified in Appendix A, shall perform the Construction Services at Interconnection Customer's sole expense up to the Upgrades Estimated Total Cost Amount. Interconnection Customer's and System Owner's respective responsibilities for the cost of the Construction Services greater than the Upgrades Estimated Total Costs Amount shall be determined in accordance with, as applicable, Section 25.8.6 of Attachment S or Section 40.16.3 of Attachment HH to the OATT.

5.2 Provision and Application of Security

5.2.1 If Interconnection Customer accepted its Project Cost Allocation and posted to System Owner the Security for its Upgrades at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then Interconnection Customer shall not be responsible for posting additional Security under this Agreement. Interconnection Customer's Security shall be subject to the requirements of Attachment S or HH to the ISO OATT.

5.2.2 If Interconnection Customer was not required to post Security to the System Owner at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then at least thirty (30) Calendar Days prior to the System Owner's commencement of the procurement, installation, or construction of a discrete portion of the Upgrades as such portion(s) are detailed in the Milestones in Appendix A, Interconnection Customer shall provide System Owner, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to System Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 7.2 of this Agreement. Such security for payment shall be in an amount sufficient to cover the costs for Interconnection Customer's share of constructing, procuring and installing the applicable portion of the Upgrades, and shall be reduced on a dollar-for-dollar basis for payments made to System Owner for these purposes.

In addition:

5.2.2.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of System Owner, and contains terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

5.2.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to System Owner and must specify a reasonable expiration date.

5.2.2.3 The surety bond must be issued by an insurer reasonably acceptable to System Owner and must specify a reasonable expiration date.

ARTICLE 6. INVOICE

6.1 General.

To the extent that any amounts are due to the Interconnection Customer or System Owner under this Agreement, the Interconnection Customer and System Owner, as applicable, shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Interconnection Customer and System Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

6.2 Final Invoice and Refund of Remaining Security/Overpayment Amount

Within one hundred eighty (180) Calendar Days of the Completion Date, Interconnection Customer or System Owner, as applicable, shall provide a final invoice to the other Party of any remaining amounts due associated with the Construction Services. Within thirty (30) Calendar Days of the later of: (i) Interconnection Customer's payment of any final invoice to the System Owner, and (ii) the completion of the Construction Services, System Owner shall release or refund to the Interconnection Customer any remaining portions of its Security and any amount that Interconnection Customer has overpaid under this Article 6.

6.3 Payment.

Invoices shall be rendered to the paying Party at the address specified in Appendix B hereto. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices will not constitute a waiver of any rights or claims the paying Party may have under this Agreement.

6.4 Disputes.

In the event of a billing dispute between Parties, the Party owed money shall continue to perform under this Agreement as long as the other Party: (i) continues to make all payments not in dispute; and (ii) pays to the Party owed money or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Party that owes money fails to meet these two requirements for continuation of service, then the Party owed money may provide notice to the other Party of a Default pursuant to Article 10. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 7. REGULATORY REQUIRMENTS AND GOVERNING LAW

7.1 Regulatory Requirements

Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require a Party to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

7.2 Governing Law.

7.2.1 The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

7.2.2 This Agreement is subject to all Applicable Laws and Regulations.

7.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 8. NOTICES

8.1 General.

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix B hereto.

A Party may change the notice information in this Agreement by giving five (5) Business Days written notice prior to the effective date of the change.

8.2 Billings and Payments.

Billings and payments shall be sent to the addresses set out in Appendix B hereto.

8.3 Alternative Forms of Notice.

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Appendix B hereto.

ARTICLE 9. FORCE MAJEURE

Economic hardship is not considered a Force Majeure event. A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 10. DEFAULT

10.1 General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

10.2 Right to Terminate.

If a Breach is not cured as provided in this Article 10, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall

thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

ARTICLE 11. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

11.1 Indemnity.

Each Party (the "Indemnifying Party") shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an "Indemnified Party") from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a "Loss"), arising out of or resulting from (i) the Indemnified Party's performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

11.1.1 Indemnified Party.

If a Party is entitled to indemnification under this Article 11 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 11.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

11.1.2 Indemnifying Party.

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 11, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

11.1.3 Indemnity Procedures.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 11.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed.

11.2 No Consequential Damages.

Other than the indemnity obligations set forth in Article 11.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; *provided, however*, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

11.3 Insurance.

[If System Owner and Interconnection Customer agree pursuant to Article 3.1 of this Agreement for Interconnection Customer to be responsible for any of the Construction Services under this Agreement, the insurance requirements in this Article 11.3 shall be applicable to Interconnection Customer as well.]

The System Owner and, if applicable, Interconnection Customer shall, at its own expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

11.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

11.3.2 Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage ("ISO CG") Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars ($2,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

11.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

11.3.4 If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

11.3.5 Excess Liability Insurance over and above the Employers' Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence and Twenty Million Dollars ($20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

11.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of System Owner and, if applicable, Interconnection Customer shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

11.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. System Owner and, if applicable, Interconnection Customer shall each be responsible for its respective deductibles or retentions.

11.3.8 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Interconnection Customer and System Owner.

11.3.9 If applicable, Pollution Liability Insurance in an amount no less than $7,500,000 per occurrence and $7,500,000 in the aggregate. The policy will provide coverage for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

11.3.10 The requirements contained herein as to the types and limits of all insurance to be maintained by the System Owner and, if applicable, Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

11.3.11 Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customer and System Owner, as applicable, shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

11.3.12 Notwithstanding the foregoing, either of System Owner and, if applicable, Interconnection Customer may each self-insure to meet the minimum insurance requirements of Articles 11.3.1 through 11.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 11.3.1 through 11.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 11.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Articles 11.3.1 through 11.3.9 and provide evidence of such coverages. For any period of time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 11.3.1 through 11.3.9.

11.3.13 Interconnection Customer and System Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

11.3.14 Subcontractors of each party must maintain the same insurance requirements stated under Articles 11.3.1 through 11.3.9 and comply with the Additional Insured requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 12. ASSIGNMENT

12.1 Assignment.

This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or System Owner, for collateral security purposes to aid in providing financing for the Facility, provided that the Interconnection Customer will promptly notify the NYISO and System Owner of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and System Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and System Owner with proof that it meets the requirements of Articles 5.2 and 11.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 13. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

ARTICLE 14. COMPARABILITY

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 15. CONFIDENTIALITY

15.1 Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 15.

If requested by a Party receiving information, the Party supplying the information shall provide in writing, the basis for asserting that the information referred to in this Article warrants

confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

15.2 Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 15, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

15.3 Confidential Information.

The following shall constitute Confidential Information: (1) any non-public information that is treated as confidential by the disclosing Party and which the disclosing Party identifies as Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2) information designated as Confidential Information by the NYISO Code of Conduct contained in Attachment F to the OATT.

15.4 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 15.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

15.5 Release of Confidential Information.

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 15 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 15.

15.6 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by any Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

15.7 No Warranties.

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

15.8 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under this Agreement or its regulatory requirements, including the OATT and Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the OATT.

15.9 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

15.10 Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.

15.11 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 15. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 15, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 15, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 15.

15.12 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Article 15 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement or the OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

15.13 Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the OATT or the Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees

to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 16. INTERCONNECTION CUSTOMER AND SYSTEM OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customer and System Owner shall notify the other Parties, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Upgrades, each of which may reasonably be expected to affect the other Parties. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 17. INFORMATION REQUIREMENT

17.1 Information Acquisition

Interconnection Customer and System Owner shall each submit specific information regarding the electrical characteristics of its facilities to the other Parties as described below and in accordance with Applicable Reliability Requirements.

17.2 Information Submission Concerning the Upgrades

The initial information submission by System Owner shall occur as specified in the Milestones in Appendix A and shall include New York State Transmission System information necessary to allow the Interconnection Customer to select equipment for its Facility and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Interconnection Customer and System Owner. On a monthly basis, System Owner and Interconnection Customer shall each provide the other Parties a status report on the construction and installation of the Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

17.3 Information Submission Concerning the Facility

The updated information submission by the Interconnection Customer, including manufacturer information, shall occur as specified in the Milestones in Appendix A. Interconnection Customer shall submit a completed copy, if applicable, of the Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures or Appendix 1 to the Standard Interconnection Procedures. It shall also include any additional information provided to System Owner, as applicable, for the Class Year Interconnection Facilities Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the

Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is different from what was originally provided to System Owner and NYISO in, as applicable, its Interconnection Request or with its Affected System Study Agreement and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then Interconnection Customer will notify the NYISO and System Owner of such modifications.

17.4 Information Supplementation

The Interconnection Customer and System Owner shall supplement its information submissions described above in this Article 17 with any and all "as built" information or "as tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist.

ARTICLE 18. INFORMATION ACCESS AND AUDIT RIGHTS

18.1 Information Access.

Each Party ("Disclosing Party") shall make available to another Party ("Requesting Party") information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 18.1 and to enforce their rights under this Agreement.

18.2 Reporting of Non-Force Majeure Events.

Each Party (the "Notifying Party") shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

18.3 Audit Rights.

Subject to the requirements of confidentiality under Article 15 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs and calculation of invoiced amounts. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that

relate to the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 18.4 of this Agreement.

18.4 Audit Rights Periods.

18.4.1 Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of the Upgrades shall be subject to audit for a period of twenty-four months following the issuance of a final invoice in accordance with Article 6.1 of this Agreement.

18.4.2 Audit Rights Period for All Other Accounts and Records.

Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 18.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

18.5 Audit Results.

If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

ARTICLE 19. SUBCONTRACTORS

19.1 General.

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; *provided, however*, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

19.2 Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; *provided, however*, that in no event shall the NYISO or System Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 3 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

19.3 No Limitation by Insurance.

The obligations under this Article 19 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 20. DISPUTES

20.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the Dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

20.2 External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; *provided, however*, in the event of a conflict between the Arbitration Rules and the terms of this Article 20, the terms of this Article 20 shall prevail.

20.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator(s) must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, or Upgrades.

20.4 Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) one-third the cost of the single arbitrator jointly chosen by the Parties.

20.5 Termination.

Notwithstanding the provisions of this Article 20, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 21. REPRESENTATIONS, WARRANTIES AND COVENANTS

21.1 General.

Each Party makes the following representations, warranties and covenants:

21.1.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the State of New York; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

21.1.2 Authority.

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

21.1.3 No Conflict.

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.

21.1.4 Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental

Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 22. MISCELLANEOUS

22.1 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.

22.2 Conflicts.

If there is a discrepancy or conflict between or among the terms and conditions of the body of this Agreement and the Appendices hereto, the terms and conditions of the body of this Agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

22.3 Rules of Interpretation.

This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures as the case may be; (6) "hereunder," "hereof," "herein," "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including," "to" means "to but excluding" and "through" means "through and including."

22.4 Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, the OATT and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the

other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

22.5 Joint and Several Obligations.

Except as otherwise stated herein, the obligations of NYISO, Interconnection Customer, and System Owner are several, and are neither joint nor joint and several.

22.6 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

22.7 No Third Party Beneficiaries.

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and permitted their assigns.

22.8 Waiver.

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by an Interconnection Customer shall not constitute a waiver of such Interconnection Customer's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO and the relevant System Owner in accordance with the relevant Interconnection Agreement and the provisions of the OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

22.9 Headings.

The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

22.10 Multiple Counterparts.

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

22.11 Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all three of the Parties.

22.12 Modification by the Parties.

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all three of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

22.13 Reservation of Rights.

NYISO and the System Owner shall have the right to make unilateral filings with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

22.14 No Partnership.

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

22.15 Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customer shall be entitled to, now or in the future under any other agreement or tariff as a result of or otherwise associated with, the transmission capacity, if any, created by the Upgrades.

22.16 Modifications Related to NYISO's Compliance with Order No. 2023

If, as part of the NYISO's compliance proceeding at the Commission in response to Order No. 2023, the Commission directs that the NYISO modify the *pro forma* Standard Upgrade Construction Agreement located in Appendix 16 of Attachment HH to the ISO OATT, the Parties shall amend and restate this Agreement to incorporate the modifications; *provided,*

however, the Parties may agree to include in the amended and restated agreement non-conforming changes to any terms of the *pro forma* Standard Upgrade Construction Agreement that have been modified to comply with the Commission's order, which non-conforming modifications must be filed with the Commission for its acceptance.

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

New York Independent System Operator, Inc.

By: _____

Name:_____

Title: _____

Date: _____

[Insert Name of System Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Construction Services

Appendix B

Addresses for Delivery of Notices and Billings

Appendix C

In-Service Date

APPENDIX A

CONSRUCTION SERVICES

1. Upgrades

[Insert description of Upgrades and specify Interconnection Customer's and System Owner's responsibilities to design, procure, and construction Upgrades]

2. Upgrades Estimated Total Cost Amount

[Insert table indicating Upgrades Estimated Total Cost Amount and insert description of security provided by Interconnection Customer to System Owner for Upgrades]

3. Milestones

Item	Milestone	Date	Responsible Party
1.	[insert milestones]	[insert date]	
2.	In-Service Date	[insert date]	
3.	Completion Date	[insert date]	

4. Estimated Tax Liability

[If applicable]

APPENDIX B

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX C

IN-SERVICE DATE

[**Date**]

[Insert NYISO address]

[Insert System Owner address]

[Insert Interconnection Customer address]

Re: [Insert project name] Upgrades

Dear _____:

On **[Date] [System Owner/Interconnection Customer]** has completed the Upgrades. This letter confirms that [**describe Upgrades**] have commenced service, effective as of [**Date plus one day**].

Thank you.

[**Signature**]

[**Interconnection Customer's/System Owner's Representative**]

40.25.17 APPENDIX 17 TO ATTACHMENT HH

STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT

SERVICE AGREEMENT NO. [*]

SERVICE AGREEMENT NO. [●]

STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT

AMONG THE

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.,

AND

[INSERT SYSTEM OWNER]

AND

[INSERT INTERCONNECTION CUSTOMER]

AND

[INSERT INTERCONNECTION CUSTOMER]

Dated as of *[insert execution date]*

Project Name: *[insert project name]*

Queue Position Nos.: *[insert queue numbers]*

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STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT

[To insert additional Interconnection Customer entries if more than two Interconnection Customers are parties to this this agreement.]

THIS STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT ("Agreement") is made and entered into this __ day of __ 20__, by and among: _____ _____, a [corporate description] organized and existing under the laws of State/Commonwealth of_____ ("[*Interconnection Customer Name*]"), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of_____ ("[*Interconnection Customer Name*]") (each an "Interconnection Customer" for a "Facility" and collectively "Interconnection Customers" for "Facilities"), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of_____ ("System Owner"), and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"). Each Interconnection Customer, the NYISO, or System Owner each may be referred to as a "Party" or collectively referred to as the "Parties."

RECITALS

[To insert the applicable following recitals based on Interconnection Customers' projects; to insert additional Interconnection Customer entries if more than two Interconnection Customers are parties to this agreement.]

Application 1:

WHEREAS, *[Interconnection Customer Name] is developing a Facility – a [insert generation/transmission project] identified as [insert project name] with NYISO Queue Position No. [*] – that will interconnect to certain transmission facilities of [insert Connecting Transmission Owner's name] ("Connecting Transmission Owner") that are part of the New York State Transmission System or Distribution System and [has entered/will enter] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of its project;*

WHEREAS, *[Interconnection Customer Name] is developing a Facility – a [insert generation/transmission project] identified as [insert project name] with NYISO Queue Position No. [*] – that will interconnect to certain transmission facilities of [insert Connecting Transmission Owner's name] ("Connecting Transmission Owner") that are part of the New York State Transmission System or Distribution System and [has entered/will enter] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of its project;*

Application 2:

WHEREAS, *[Interconnection Customer Name] is an Affected System Interconnection Customer developing a Facility – a [insert generation/transmission] project identified as [insert project*

name] – that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [*] and [has entered/will enter] into any required interconnection agreement for its facility with the [insert name of host transmission region];

***WHEREAS,** [Interconnection Customer Name] is an Affected System Interconnection Customer developing a Facility –a [insert generation/transmission] project identified as [insert project name] – that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [*] and [has entered/will enter] into any required interconnection agreement for its facility with the [insert name of host transmission region];*

[To insert one of the following alternatives based on the application of this Agreement:

Application 1:

***WHEREAS**, the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Minimum Interconnection Standard ("Upgrades");*

Application 2:

***WHEREAS**, the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the transmission system owned by the System Owner as the Connecting Transmission Owner to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Minimum Interconnection Standard ("Upgrades");*

Application 3:

***WHEREAS,** the NYISO's [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the "Custer Study Deliverability Study")/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the "Class Year Deliverability Study)] determined that certain System Deliverability Upgrades are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facilities' requested level of Capacity Resource Interconnection Service ("Upgrades");]*

Application 4:

WHEREAS, *the NYISO's [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the "Custer Study Deliverability Study")/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the "Class Year Deliverability Study)] determined that certain System Deliverability Upgrades are required to be constructed on the transmission system owned by the System Owner as the Connecting Transmission Owner to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facilities' requested level of Capacity Resource Interconnection Service ("Upgrades");]*

Application 5:

WHEREAS, *the NYISO's Affected System Study determined that certain Affected System Network Upgrades are required to be constructed on the Affected System owned by they System Owner as the Affected System Operator in connection with the Facilities' interconnection in [insert name of host transmission region] ("Upgrades");*

WHEREAS, the [*Cluster Study/ Cluster Study Deliverability Study/Class Year Interconnection Facilities Study/ Class Year Deliverability Study/Affected System Study*] has determined the cost estimate for the engineering, procurement, and construction of the Upgrades ("Interconnection Customer Common Upgrades Cost Cap");

WHEREAS, Interconnection Customers and System Owner desire to *[perform/have Interconnection Customers perform/have System Owner perform]*, *and [they are willing to perform/Interconnection Customers are willing to perform/System Owner is willing to perform]*, the engineering, procurement, and construction services required to construct the Upgrades ("Construction Services") in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, Interconnection Customers, System Owner, and the NYISO have agreed to enter into this Agreement for the purpose of allocating the responsibilities for the performance and oversight of the Construction Services required to construct the Upgrades;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein, it is agreed:

ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the OATT, Section 40.1 of Attachment HH to the OATT, Section 30.1 of Attachment X to the ISO OATT, Section 25.1.2 of Attachment S to the OATT, the body of the Standard Interconnection Procedures or Standard Facility Interconnection Procedures, or the body of this Agreement.

Affected System shall mean an electric system within the New York Control Area other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a Facility to a transmission system other than New York State Transmission System that may cause the need for Affected System Network Upgrades on the New York State Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to the New York State Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System.

Affected System Operator shall mean the entity that operates an Affected System. Affected System Operator includes the Affected Transmission Owners.

Affected System Study shall mean the NYISO's evaluation of the impacts on the New York State Transmission System of an Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System, as described in Section 40.8.3 of Attachment HH to the OATT.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachments P, S, X, Z, or HH to the ISO OATT.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Requirements shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section 40.12.1.2 of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which the Interconnection Customer's Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

Breach shall mean the failure of a Party to perform or observe any material term or condition of this Agreement.

Breaching Party shall mean a Party that is in Breach of this Agreement.

Business Day shall mean Monday through Friday, excluding federal holidays.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

Class Year Interconnection Facilities Study ("Class Year Study") shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Transmission Project shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Cluster Study shall mean the study conducted, as applicable, by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades), the cost of those facilities, and the time required to interconnect the Generating Facility or Cluster Study Transmission Project with the New York State Transmission System or with the Distribution System. The Cluster Study includes the Phase 1 Study and the Phase 2 Study.

Cluster Study Transmission Project shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Cluster Study Transmission Project without having to re-dispatch generation. Cluster Study Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Completion Date shall mean the date on which, as applicable, the System Owner or Interconnection Customers have completed the Construction Services, as set forth in Appendix A.

Confidential Information shall mean any information that is defined as confidential by Article 15 of this Agreement.

Connecting Transmission Owner shall have the meaning set forth in the recitals.

Construction Services shall have the meaning set forth in the recitals and shall consist of the services described in Appendix A.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 10 of this Agreement.

Distribution System shall mean the Connecting Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the NYISO's Standard Interconnection Procedures in Attachment HH under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Effective Date shall mean the date on which this Agreement becomes effective in accordance with Article 2.1 of this Agreement.

Electric Reliability Organization ("ERO") shall mean the North American Electric Reliability Corporation or its successor organization.

Environmental Law shall mean Applicable Laws and Regulations relating to pollution or protection of the environment or natural resources.

Facility shall mean, as applicable, the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project interconnecting to the New York State Transmission System or Distribution System or, for an Affected System Interconnection Customer, the generation or transmission facility interconnecting to another region's transmission system. For purpose of

this agreement, a Facility is each individual generation or transmission facility identified in the Recitals, which are collectively the Facilities.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.* ("FPA").

FERC shall mean the Federal Energy Regulatory Commission ("Commission") or its successor.

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Attachment Facilities or Distribution Upgrades. A facility comprised of multiple Generators will be treated as a single Generating Facility if the facility proposed in the Interconnection Request is comprised of multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over any of the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; *provided, however*, that such term does not include Interconnection Customer, the NYISO, Affected Transmission Owner, Affected System Operator, Connecting Transmission Owner, or any Affiliate thereof.

Hazardous Substances shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

In-Service Date shall mean the date upon which the Upgrades are energized consistent with the provisions of this Agreement, notice of which must be provided to the other Parties by, as applicable, the Interconnection Customer or System Owner in the form of Appendix C.

Interconnection Agreement shall mean, as applicable, the Standard Interconnection Agreement or Standard Large Generator Interconnection Agreement, or, if a Facility is interconnecting to another region's transmission system, the interconnection agreement entered into in that region.

Interconnection Customer shall mean, as applicable, an Interconnection Customer as defined in Attachment HH to the ISO OATT, a Developer as defined in Attachments S and X of the ISO OATT, or an Affected System Interconnection Customer as defined in Attachment HH to the ISO OATT. For purposes of this Agreement, the Interconnection Customer shall have the meaning set forth in the introductory paragraph.

Interconnection Customer Common Upgrades Cost Cap shall mean an Interconnection Customer's portion of the estimated cost of the Upgrades as described in Appendix A.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to Attachment X to the ISO OATT or Appendix 1 to Attachment HH to the ISO OATT, to interconnect a new Facility to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Facility that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer.

Invoice Share shall mean an individual Interconnection Customer's percentage share of the Interconnection Customers' total cost responsibility for the Construction Services subject to the Interconnection Customers' Common Upgrades Cost Cap as described in Appendix A.

IRS shall mean the Internal Revenue Service.

ISO Services Tariff shall mean the NYISO's Market Administration and Control Area Services Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

ISO OATT shall mean the NYISO's Open Access Transmission Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Milestones shall mean the milestones for the performance of the Construction Services, as set forth in Appendix A.

New York State Transmission System shall mean the entire New York State electric transmission system, which includes (i) the Transmission Facilities under NYISO Operational Control; (ii) the Transmission Facilities Requiring ISO Notification; and (iii) all remaining transmission facilities within the New York Control Area.

Notice of Dispute shall mean a written notice of a dispute or claim pursuant to Article 20 of this Agreement that arises out of or in connection with this Agreement or its performance.

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYISO Tariffs shall mean the ISO OATT and ISO Services Tariff.

NYSRC shall mean the New York State Reliability Council or its successor organization.

Party or Parties shall have the meaning set forth in the introductory paragraph.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Standard Multiparty Upgrade Construction Agreement shall mean this Agreement.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System and Distribution System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

System Owner shall mean, as applicable, the Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner. For purposes of this Agreement, the System Owner shall be defined in the introductory paragraph.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Upgrades shall mean, as applicable, System Upgrade Facilities, System Deliverability Upgrade Facilities, or Affected Network Upgrade Facilities. For purposes of this Agreement, the Upgrades shall have the meaning set forth in the recitals and shall be described in Appendix A.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date.

This Agreement shall become effective upon the date of execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO, and if applicable, the Affected Transmission Owner, shall promptly file this Agreement with FERC upon execution, if required, in accordance with the requirements in the OATT. Interconnection Customers and System Owner shall reasonably cooperate with the NYISO with respect to the filing of this Agreement with FERC and provide any information reasonably requested by the NYISO needed for such filing.

2.2 Term of Agreement.

Subject to the provisions of Article 2.3, this Agreement shall remain in effect until the later of: (i) the Completion Date, and (ii) the date on which the final payment of all invoices issued under this Agreement have been made pursuant to Articles 6.1 and 6.3 and any remaining Security has been released or refunded pursuant to Article 6.2.

2.3 Termination.

2.3.1 Completion of Term of Agreement

This Agreement shall terminate upon the completion of the term of the Agreement pursuant to Article 2.2.

2.3.2 Written Notice.

This Agreement may be terminated by the mutual agreement in writing of all of the Parties.

2.3.3 Default.

Any Party may terminate this Agreement to the extent permitted under Article 10 and Article 20.

2.3.4 Compliance.

Notwithstanding Articles 2.3.1, 2.3.2, and 2.3.3, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

2.4 Termination Costs.

If this entire Agreement is terminated pursuant to Articles 2.3.2 or 2.3.3 above, the Interconnection Customers shall be responsible for all costs that are the responsibility of the Interconnection Customers under this Agreement that are incurred by the Interconnection

Customers or other Parties through the date the Parties agree in writing to terminate the agreement. Such costs shall be allocated among the Interconnection Customers using the same methodology as set forth in Article 5 regarding each Interconnection Customer's responsibility for the costs of the Construction Services, subject to the Interconnection Customer Common Upgrade Cost Cap. Such costs include any cancellation costs relating to orders or contracts concerning the Construction Services or Upgrades. In the event of termination, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of the Upgrades for which the System Owner or Interconnection Customers (the "Constructing Party") are responsible for constructing or installing under this Agreement and that have not yet been constructed or installed, the Constructing Party shall, to the extent possible and with the other Party's (i.e., the System Owner or each of the Interconnection Customers as applicable) authorization, cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, the Upgrades; provided that in the event an other Party (including one or more of the Interconnection Customers) elects not to authorize such cancellation, that other Party shall assume all payment obligations, including in the event it is one of the Interconnection Customers reimbursing the other Interconnection Customer for any payments it has already made, with respect to such materials, equipment, and contracts, and the Constructing Party shall deliver such material and equipment, and, if necessary, assign such contracts, to the other Party as soon as practicable, at the other Party's expense. To the extent that the other Party has already paid the Constructing Party for any or all such costs of materials or equipment not taken by the other Party, the Constructing Party shall promptly refund such amounts to the other Party, less any costs, including penalties incurred by the Constructing Party to cancel any pending orders of or return such materials, equipment, or contracts.

2.4.2 The Constructing Party may, at its option, retain any portion of such materials or equipment that the other Party chooses not to accept delivery of, in which case the Constructing Party shall be responsible for all costs associated with procuring such materials or equipment.

2.4.3 With respect to any portion of the Construction Services already performed pursuant to the terms of this Agreement, Interconnection Customers shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such related materials, equipment, or facilities and such other expense actually incurred by System Owner to return its system to safe and reliable operation.

2.5 Termination of One or More Interconnection Customers

In the event of the termination of this Agreement for one or more, but not all, Interconnection Customers in accordance with Article 10.2, each Interconnection Customer whose participation in this Agreement is terminated shall be responsible for the payment to System Owner of that Interconnection Customer's Invoice Share of all amounts then due and payable for construction and installation of the Upgrades (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by System Owner in connection with the construction and installation of the Upgrades, through the

date of termination. The terminated Interconnection Customer's remaining Security for the Upgrades shall be subject to forfeiture to the extent required in accordance with the rules in Section 40.16 of Attachment HH to the ISO OATT. The cost responsibility of other Interconnection Customers shall be adjusted, as necessary, based on the payments by the terminated Interconnection Customer(s) and the application of any of the forfeited Security in accordance with the requirements in Section 40.16 of Attachment HH of the ISO OATT.

2.6 Survival.

This Agreement shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder; including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit Interconnection Customers and System Owner each to have access to the lands of the other pursuant to this Agreement or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

2.7 No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 3. CONSTRUCTION SERVICES

3.1 Performance of Construction Services.

System Owner shall be responsible for performing the Construction Services. At System Owner's sole discretion, System Owner may agree with Interconnection Customers for Interconnection Customers to perform such services. System Owner's and Interconnection Customers' respective obligations concerning the Construction Services shall be set forth in Appendix A hereto. System Owner and Interconnection Customers shall each use Reasonable Efforts to complete the Construction Services for which it has responsibility by the Milestone dates set forth in Appendix A hereto. The System Owner shall not be required to undertake any action which is inconsistent with the System Owner's standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. The NYISO has no responsibility, and shall have no liability, for the performance of any of the Construction Services under this Agreement.

3.2 General Conditions Applicable to Interconnection Customers' Performance of the Construction Services.

If System Owner and Interconnection Customers agree pursuant to Section 3.1 for the Interconnection Customers to be responsible for the design, procurement, and/or construction of any Upgrades as set forth in Appendix A, the following conditions apply:

3.2.1 Interconnection Customers shall engineer, procure equipment, and construct the Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by System Owner;

3.2.2 Interconnection Customers' engineering, procurement and construction of the Upgrades shall comply with all requirements of law to which System Owner would be subject in the engineering, procurement or construction of the Upgrades;

3.2.3 System Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Upgrades;

3.2.4 Prior to the commencement of construction, Interconnection Customers shall provide System Owner and NYISO a schedule for construction of the Upgrades, and shall promptly respond to requests for information from System Owner or NYISO;

3.2.5 At any time during construction, System Owner shall have the right to gain unrestricted access to the Upgrades and to conduct inspections of the same;

3.2.6 At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Upgrades not meet the standards and specifications provided by System Owner, Interconnection Customers shall be obligated to remedy deficiencies in that portion of the Upgrades;

3.2.7 Interconnection Customers shall indemnify System Owner and NYISO for claims arising from Interconnection Customers' construction of Upgrades under procedures applicable to Article 11.1 Indemnity;

3.2.8 Interconnection Customers shall transfer control of Upgrades to System Owner;

3.2.9 Unless Interconnection Customers and System Owner otherwise agree, Interconnection Customers shall transfer ownership of Upgrades to System Owner;

3.2.10 System Owner shall approve and accept for operation and maintenance the Upgrades to the extent engineered, procured, and constructed in accordance with this Article 3.2;

3.2.11 Interconnection Customers shall deliver to NYISO and System Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or System Owner to assure that the Upgrades are built to the standards and specifications required by System Owner; and

3.2.12 Interconnection Customers shall pay the System Owner the agreed upon amount of [$ PLACEHOLDER] for the System Owner to execute the responsibilities enumerated to System Owner under Article 3.2. System Owner shall invoice Interconnection Customers for this total amount to be divided on a monthly basis pursuant to Article 6. Such costs shall be allocated among the Interconnection Customers using the same methodology as set forth in

Article 5 regarding each Interconnection Customer's responsibility for the costs of the Construction Services.

3.3 Design and Equipment Procurement

If responsibility for construction of the Upgrades is to be borne by the System Owner, then the System Owner shall commence the design and procurement of the Upgrades for which it is responsible as soon as practicable after all of the following conditions are satisfied, unless the Interconnection Customers and System Owner otherwise agree in writing:

3.3.1 NYISO has completed, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study;

3.3.2 The NYISO has completed the required cost allocation analyses, and each Interconnection Customer has accepted its Project Cost Allocation for the Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT;

3.3.3 System Owner has received written authorization to proceed with design and procurement of the Upgrades from the Interconnection Customers by the date specified in Appendix A hereto; and

3.3.4 Each Interconnection Customer has provided Security to the System Owner for the design and procurement of the Upgrades in accordance with Article 5 by the date(s) specified in Appendix A hereto.

3.4 Construction Commencement

System Owner shall commence construction of the Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

3.4.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

3.4.2 Necessary real property rights and rights-of-way have been obtained, to the extent required, for the construction of a discrete aspect of the Upgrades;

3.4.3 System Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix A hereto; and

3.4.4 Each Interconnection Customer has provided security to the System Owner for the construction of the applicable facilities in accordance with Article 5.2 by the date(s) specified in Appendix A hereto.

3.5 Work Progress.

The Interconnection Customers and System Operator will keep each other, and NYISO, advised periodically as to the progress of its respective design, procurement and construction

efforts. Any Party may, at any time, request a progress report from the Interconnection Customers or System Owner.

3.6 Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customers and System Owner shall exchange information, and provide NYISO the same information, regarding the design of the Upgrades and compatibility of the Upgrades with the New York State Transmission System and shall work diligently and in good faith to make any necessary design changes.

3.7 Ownership and Control of Upgrades.

System Owner shall own the Upgrades as described in Appendix A. The System Owner's and, if applicable, NYISO's operational control of the Upgrades upon the completion of the facilities shall be described in Appendix A.

3.8 Access Rights.

Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the System Owner or an Interconnection Customer ("Granting Party") shall furnish to the other Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress required for the performance of the Construction Services, including to construct, repair, test (or witness testing), inspect, replace or remove the Upgrades. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

3.9 Lands of Other Property Owners.

If any part of the Upgrades will be installed on property owned by persons other than the Interconnection Customers or System Owner, the System Owner shall at Interconnection Customers' expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary for the performance of the Construction Services upon such property by the System Owner or Interconnection Customers, including to construct, repair, operate, maintain, test (or witness testing), inspect, replace or remove the Upgrades.

3.10 Permits.

NYISO, Interconnection Customers, and System Owner shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to

accomplish the Construction Services in compliance with Applicable Laws and Regulations. With respect to this paragraph, System Owner shall provide permitting assistance to the Interconnection Customers comparable to that provided to System Owner's own, or an Affiliate's, generation facilities, if any.

3.11 Reserved.

3.12 Taxes.

3.12.1 Indemnification for Contributions in Aid of Construction.

With regard only to payments made by Interconnection Customers to System Owner for the installation of the Upgrades, System Owner shall not include a gross-up for income taxes in the amounts it charges Interconnection Customers for the installation of the Upgrades unless (1) System Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customers to System Owner should be reported as income subject to taxation, or (2) any Governmental Authority directs System Owner to report payments or property as income subject to taxation. Interconnection Customers shall reimburse System Owner for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from System Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by System Owner upon request of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.12.1, and to the extent permitted by law, to the extent that the receipt of such payments by System Owner is determined by any Governmental Authority to constitute income by System Owner subject to taxation, Interconnection Customers shall protect, indemnify, and hold harmless System Owner and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, System Owner shall provide Interconnection Customers with written notification within thirty (30) Calendar Days of such determination and notification. System Owner, upon the timely written request by any one or more Interconnection Customer(s) and at the expense of such Interconnection Customer(s), shall appeal, protest, seek abatement of, or otherwise oppose such determination. System Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that System Owner shall cooperate and consult in good faith with the requesting Interconnection Customer(s) regarding the conduct of such contest. Interconnection Customer(s) shall not be required to pay System Owner for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which System Owner (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a

prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that System Owner is not liable for any portion of any tax, interest, and/or penalties for which any Interconnection Customer(s) has already made payment to System Owner, System Owner shall promptly refund to such Interconnection Customer(s) any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments System Owner receives or to which System Owner may be entitled with respect to such payment. Each Interconnection Customers shall provide System Owner with credit assurances sufficient to meet each Interconnection Customer's estimated liability for reimbursement of System Owner for taxes, interest, and/or penalties under this Article 3.12.1. Such estimated liability shall be stated in Appendix A.

To the extent that System Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: System Owner represents, and the Parties acknowledge, that System Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Interconnection Customers to System Owner for Upgrade(s) is to be treated as upfront payments. It is anticipated by the Parties that any amounts paid by each Interconnection Customer to System Owner for the Upgrades will be reimbursed to such Interconnection Customer in accordance with the terms of this Agreement, provided such Interconnection Customer fulfills its obligations under this Agreement.

3.12.2 Private Letter Ruling.

At the request and expense of any Interconnection Customer(s), System Owner shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by such Interconnection Customer(s) to System Owner under this Agreement are subject to federal income taxation. Each Interconnection Customer desiring such a request will prepare the initial draft of the request for a private letter ruling and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of such Interconnection Customers' knowledge. System Owner and such Interconnection Customer(s) shall cooperate in good faith with respect to the submission of such request.

3.12.3 Other Taxes.

Upon the timely request by any one or more Interconnection Customer(s), and at such Interconnection Customer(s)' sole expense, System Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against System Owner for which such Interconnection Customer(s) may be required to reimburse System Owner under the terms of this Agreement. Interconnection Customer(s) who requested the action shall pay to System Owner on a periodic basis, as invoiced by System Owner, System Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. The requesting Interconnection Customer(s) and System Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer(s) to System Owner for such taxes until they are assessed by a final, non-appealable

order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer(s) will be responsible for all taxes, interest, and penalties, other than penalties attributable to any delay caused by System Owner. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

3.13 Tax Status; Non-Jurisdictional Entities.

3.13.1 Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of System Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

3.13.2 Tax Status.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

3.14 Modification.

3.14.1 General

If, prior to the In-Service Date, the System Owner proposes to modify the Upgrades, the System Owner must provide to the NYISO at least ninety (90) Calendar Days in advance of the commencement of the work, or such shorter period upon which the Parties may agree, sufficient information for the NYISO to evaluate the impact of the proposed modification on, as applicable: (i) the reliable interconnection of Interconnection Customers' Facilities to the New York State Transmission System or (ii) the reliability of the New York State Transmission System due to the Facilities' interconnection to another region's transmission system. The NYISO's agreement to the proposed modification shall not be unreasonably withheld, conditioned, or delayed if the proposed modification is reasonably related to the interconnection of the Facility and will enable Interconnection Customers' Facilities to reliably interconnect to the New York State Transmission System or ensure the reliability of the New York State Transmission System of the Facilities' interconnection to another region's transmission system. If the cost of the modified Upgrades is greater than the Interconnection Customer Common Upgrade Cost Cap, the additional cost will be allocated in accordance with, as applicable,

Sections 25.6.1.4.1 and 25.8.6 of Attachment S or Sections 40.12.1.5.1 and 40.16.3 of Attachment HH to the ISO OATT.

3.14.2 Standards.

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

3.14.3 Modification Costs.

Interconnection Customers shall not be assigned the costs of any additions, modifications, or replacements that System Owner makes to the Upgrades or the New York State Transmission System to facilitate the interconnection of a third party to the Upgrades or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment S or HH of the ISO OATT.

ARTICLE 4. TESTING AND INSPECTION

4.1 Initial Testing and Modifications.

Prior to the In-Service Date of the Upgrades, the System Owner or Interconnection Customers, as specified in Appendix A, shall test the Upgrades to ensure their safe and reliable operation. The Party responsible for constructing the Upgrades shall make any modifications to the Upgrades that are found to be necessary as a result of such testing. Interconnection Customers shall bear the cost of all such testing and modifications

4.2 Right to Observe Testing.

The Party performing the testing shall notify the other Parties in advance of its performance of tests of the Upgrades. Each of the other Parties shall have the right, at its own expense, to observe such testing.

ARTICLE 5. PERFORMANCE OBLIGATIONS

5.1 Cost Responsibilities

5.1.1 Each Interconnection Customer will be responsible for its respective Invoice Share of the monthly costs incurred by System Owner in performing the Construction Services; *provided, however,* that the Interconnection Customer will not be responsible for any costs above the Interconnection Customer Common Upgrade Cost Cap, except as set forth in Article 5.1.3.

5.1.2 On a periodic basis as set forth in the Milestones in Appendix A, System Owner shall provide to the other Parties in writing an estimated estimate of its costs for performing the Construction Services. The updated cost estimate shall fully specify any additional services and equipment required for the System Owner to perform the Construction Services and explain why these additional services and equipment are required.

5.1.3 If the System Owner's updated cost estimate as provided under Article 5.1.2 is greater than the estimated cost for such services as determined by the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study, each Interconnection Customer's responsibility for any costs above its Interconnection Customer Common Upgrade Cost Cap shall be determined in accordance with, as applicable, Section 25.8.6 of Attachment S or Section 40.16.3 of Attachment HH to the ISO OATT. The Parties shall amend this Agreement if there are any changes to the Interconnection Customer Common Upgrade Cost Cap required by, as applicable, Section 25.8.6 of Attachment S or Section 40.16.3 of Attachment HH to the ISO OATT.

5.1.4 If the final cost incurred by the System Owner in performing the Construction Services is less than the estimated cost for such services as determined by the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study and set forth in Appendix A, then the System Owner shall make a true-up payment to each Interconnection Customer pursuant to Article 6.2 to refund to the Interconnection Customer any costs that the Interconnection Customer has paid to the System Owner under Article 5.1.1 that are greater than its Invoice Share of the actual costs.

5.1.5 System Owner shall be solely responsible for its costs in performing the Construction Services that are not recoverable from Interconnection Customers under this Article 5.1.

5.2 Provision and Application of Security

5.2.1 If an Interconnection Customer accepted its Project Cost Allocation and posted to System Owner the Security for its Upgrades in the amount of its Interconnection Customer Common Upgrade Cost Cap at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then that Interconnection Customer shall not be responsible for posting additional Security under this Agreement. The Interconnection Customer's Security shall be subject to the requirements of Attachment S or HH to the ISO OATT.

5.2.2 If an Interconnection Customer was not required to post Security to the System Owner in the amount of its Interconnection Customer Common Upgrade Cost Cap at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then at least thirty (30) Calendar Days prior to the System Owner's commencement of the procurement, installation, or construction of a discrete portion of the Upgrades as such portion(s) are detailed in the Milestones in Appendix A, that Interconnection Customer shall provide System Owner, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to System Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 7.2 of this Agreement. Such security for payment shall be in an amount sufficient to cover the costs for the Interconnection

Customer's Invoice Share, and shall be reduced on a dollar-for-dollar basis for payments made to System Owner for these purposes.

In addition:

5.2.2.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of System Owner, and contains terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

5.2.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to System Owner and must specify a reasonable expiration date.

5.2.2.3 The surety bond must be issued by an insurer reasonably acceptable to System Owner and must specify a reasonable expiration date.

ARTICLE 6. INVOICE

6.1 General.

To the extent that any amounts are due to the Interconnection Customers or System Owner under this Agreement, the Interconnection Customers and System Owner, as applicable, shall submit to the other Party(ies), on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. For amounts due to the System Owner, System Owner shall invoice each Interconnection Customer for each Interconnection Customer's respective share of the costs associated with the Construction Services, in proportion to each Interconnection Customer's Invoice Share set forth in Appendix A. The Interconnection Customers and System Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to another Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

6.2 Final Invoice and Refund of Remaining Security/Overpayment Amount

Within one hundred eighty (180) Calendar Days of the Completion Date, Interconnection Customers or System Owner, as applicable, shall provide a final invoice to the other Party of any remaining amounts due associated with the Construction Services. Within thirty (30) Calendar Days of the later of: (i) an Interconnection Customer's payment of any final invoice to the System Owner, and (ii) the completion of the Construction Services, System Owner shall release or refund to the Interconnection Customer any remaining portions of its Security and any amount that Interconnection Customer has overpaid under this Article 6.

6.3 Payment.

Invoices shall be rendered to the paying Party at the address specified in Appendix B hereto. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party,

or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices will not constitute a waiver of any rights or claims the paying Party may have under this Agreement.

6.4 Disputes.

In the event of a billing dispute between Parties, the Party owed money shall continue to perform under this Agreement as long as the other Party: (i) continues to make all payments not in dispute; and (ii) pays to the Party owed money or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Party that owes money fails to meet these two requirements for continuation of service, then the Party owed money may provide notice to the other Party of a Default pursuant to Article 10. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 7. REGULATORY REQUIREMENTS AND GOVERNING LAW

7.1 Regulatory Requirements

Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require a Party to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

7.2 Governing Law.

7.2.1 The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

7.2.2 This Agreement is subject to all Applicable Laws and Regulations.

7.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 8. NOTICES

8.1 General.

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when

delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix B hereto.

A Party may change the notice information in this Agreement by giving five (5) Business Days written notice prior to the effective date of the change.

8.2 Billings and Payments.

Billings and payments shall be sent to the addresses set out in Appendix B hereto.

8.3 Alternative Forms of Notice.

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Appendix B hereto.

ARTICLE 9. FORCE MAJEURE

Economic hardship is not considered a Force Majeure event. A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 10. DEFAULT

10.1 General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

10.2 Right to Terminate.

If a Breach is not cured as provided in this Article 10, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity.

Notwithstanding the foregoing, if one or more, but not all, of the Interconnection Customers to the Agreement are the Breaching Parties, the non-Breaching Parties acting together shall have the right to declare a Default and terminate this Agreement solely for those Interconnection Customers in Breach. In such case, the remaining Parties shall amend this Agreement to remove the terminated Parties and to make any modifications required to account for the treatment of any remaining Security for the Upgrades forfeited by the terminated Interconnection Customer(s) in accordance with the requirements of Section 40.16 of Attachment HH to the ISO OATT.

ARTICLE 11. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

11.1 Indemnity.

Each Party (the "Indemnifying Party") shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an "Indemnified Party") from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a "Loss"), arising out of or resulting from (i) the Indemnified Party's performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

11.1.1 Indemnified Party.

If a Party is entitled to indemnification under this Article 11 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 11.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

11.1.2 Indemnifying Party.

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 11, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

11.1.3 Indemnity Procedures.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 11.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed.

11.2 No Consequential Damages.

Other than the indemnity obligations set forth in Article 11.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; *provided, however*, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

11.3 Insurance.

[If System Owner and Interconnection Customers agree pursuant to Article 3.1 of this Agreement for Interconnection Customers to be responsible for any of the Construction Services under this Agreement, the insurance requirements in this Article 11.3 shall be applicable to Interconnection Customers as well.]

The System Owner and, if applicable, each Interconnection Customer shall, at its own expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

11.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

11.3.2 Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage ("ISO CG") Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars ($2,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

11.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

11.3.4 If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

11.3.5 Excess Liability Insurance over and above the Employers' Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence and Twenty Million Dollars ($20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

11.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of System Owner and, if applicable, each Interconnection Customer shall name the each other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party

Group") as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

11.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. System Owner and, if applicable, each Interconnection Customer shall each be responsible for its respective deductibles or retentions.

11.3.8 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Interconnection Customers and System Owner.

11.3.9 If applicable, Pollution Liability Insurance in an amount no less than $7,500,000 per occurrence and $7,500,000 in the aggregate. The policy will provide coverage for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

11.3.10 The requirements contained herein as to the types and limits of all insurance to be maintained by the System Owner and, if applicable, each Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

11.3.11 Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customers and System Owner, as applicable, shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

11.3.12 Notwithstanding the foregoing, either of System Owner and, if applicable, an Interconnection Customer may each self-insure to meet the minimum insurance requirements of Articles 11.3.1 through 11.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 11.3.1 through 11.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 11.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with

that specified in Articles 11.3.1 through 11.3.9 and provide evidence of such coverages. For any period of time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 11.3.1 through 11.3.9.

11.3.13 Interconnection Customers and System Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

11.3.14 Subcontractors of each party must maintain the same insurance requirements stated under Articles 11.3.1 through 11.3.9 and comply with the Additional Insured requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 12. ASSIGNMENT

This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that each Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or System Owner, for collateral security purposes to aid in providing financing for the Facility, provided that the Interconnection Customer will promptly notify the NYISO and System Owner of any such assignment. Any financing arrangement entered into by an Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and System Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and System Owner with proof that it meets the requirements of Articles 5.2 and 11.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 13. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

ARTICLE 14. COMPARABILITY

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 15. CONFIDENTIALITY

15.1 Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 15.

If requested by a Party receiving information, the Party supplying the information shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

15.2 Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 15, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

15.3 Confidential Information.

The following shall constitute Confidential Information: (1) any non-public information that is treated as confidential by the disclosing Party and which the disclosing Party identifies as Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2) information designated as Confidential Information by the NYISO Code of Conduct contained in Attachment F to the OATT.

15.4 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 15.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that

designated the information as confidential notifies the other Party that it no longer is confidential.

15.5 Release of Confidential Information.

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customers, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 15 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 15.

15.6 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by any Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

15.7 No Warranties.

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

15.8 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under this Agreement or its regulatory requirements, including the OATT and Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the OATT.

15.9 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its

counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

15.10 Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.

15.11 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 15. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 15, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 15, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 15.

15.12 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Article 15 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement or the OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

15.13 Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the OATT or the Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 16. INTERCONNECTION CUSTOMER AND SYSTEM OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customers and System Owner shall notify the other Parties, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Upgrades, each of which may reasonably be expected to affect the other Parties. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 17. INFORMATION REQUIREMENT

17.1 Information Acquisition

Interconnection Customers and System Owner shall each submit specific information regarding the electrical characteristics of its facilities to the other Parties as described below and in accordance with Applicable Reliability Requirements.

17.2 Information Submission Concerning the Upgrades

The initial information submission by System Owner shall occur as specified in the Milestones in Appendix A and shall include New York State Transmission System information necessary to allow an Interconnection Customer to select equipment for its Facility and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Interconnection Customers and System Owner. On a monthly basis, System Owner and Interconnection Customers shall each provide the other Parties a status report on the construction and installation of the Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

17.3 Information Submission Concerning the Facility

The updated information submission by the Interconnection Customers, including manufacturer information, shall occur as specified in the Milestones in Appendix A. Each Interconnection Customer shall submit a completed copy, if applicable, of the Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures or Appendix 1 to the Standard Interconnection Procedures. It shall also include any additional information provided to System Owner, as applicable, for the Class Year Interconnection Facilities Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If an Interconnection Customer's data is different from what was originally provided to System Owner and NYISO in, as applicable, its Interconnection Request or with its Affected System Study Agreement and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then that Interconnection Customer will notify the NYISO, the other Interconnection Customer(s), and System Owner of such modifications.

17.4 Information Supplementation

The Interconnection Customers and System Owner shall supplement the information submissions described above in this Article 17 with any and all "as built" information or "as tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist.

ARTICLE 18. INFORMATION ACCESS AND AUDIT RIGHTS

18.1 Information Access.

Each Party ("Disclosing Party") shall make available to another Party ("Requesting Party") information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 18.1 and to enforce their rights under this Agreement.

18.2 Reporting of Non-Force Majeure Events.

Each Party (the "Notifying Party") shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information

provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

18.3 Audit Rights.

Subject to the requirements of confidentiality under Article 15 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs and calculation of invoiced amounts. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 18.4 of this Agreement.

18.4 Audit Rights Periods.

18.4.1 Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of the Upgrades shall be subject to audit for a period of twenty-four months following the issuance of a final invoice in accordance with Article 6.1 of this Agreement.

18.4.2 Audit Rights Period for All Other Accounts and Records.

Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 18.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

18.5 Audit Results.

If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party together with those records from the audit which support such determination.

ARTICLE 19. SUBCONTRACTORS

19.1 General.

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; *provided, however,* that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

19.2 Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; *provided, however*, that in no event shall the NYISO or System Owner be liable for the actions or inactions of an Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customers under Article 3 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

19.3 No Limitation by Insurance.

The obligations under this Article 19 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 20. DISPUTES

20.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the Dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

20.2 External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, the Parties shall invoke the assistance of the FERC's Dispute Resolution Service to select an arbitrator. In each case, the arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; *provided, however,* in the event of a conflict between the Arbitration Rules and the terms of this Article 20, the terms of this Article 20 shall prevail.

20.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator(s) must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, or Upgrades.

20.4 Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and its per capita share of the costs of the single arbitrator.

20.5 Termination.

Notwithstanding the provisions of this Article 20, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 21. REPRESENTATIONS, WARRANTIES AND COVENANTS

21.1 General.

Each Party makes the following representations, warranties and covenants:

21.1.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the State of New York; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

21.1.2 Authority.

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

21.1.3 No Conflict.

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.

21.1.4 Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 22. MISCELLANEOUS

22.1 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.

22.2 Conflicts.

If there is a discrepancy or conflict between or among the terms and conditions of the body of this Agreement and the Appendices hereto, the terms and conditions of the body of this Agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

22.3 Rules of Interpretation.

This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures as the case may be; (6) "hereunder," "hereof," "herein," "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including

without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including," "to" means "to but excluding" and "through" means "through and including."

22.4 Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, the OATT and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

22.5 Joint and Several Obligations.

If System Owner and Interconnection Customers agree for the Interconnection Customers to perform Construction Services under this Agreement, each Interconnection Customer shall be joint and severally liable with the other Interconnection Customer(s) for the obligations to perform such services under this Agreement. Except as otherwise stated herein, the obligations of NYISO, each Interconnection Customer, and System Owner are several, and are neither joint nor joint and several.

22.6 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

22.7 No Third Party Beneficiaries.

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and permitted their assigns.

22.8 Waiver.

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by an Interconnection Customer shall not constitute a waiver of such Interconnection Customer's legal rights to obtain

Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO and the relevant System Owner in accordance with the relevant Interconnection Agreement and the provisions of the OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

22.9 Headings.

The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

22.10 Multiple Counterparts.

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

22.11 Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all of the Parties.

22.12 Modification by the Parties.

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

22.13 Reservation of Rights.

NYISO and the System Owner shall have the right to make unilateral filings with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and each Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

22.14 No Partnership.

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or

authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

22.15 Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customers shall be entitled to, now or in the future under any other agreement or tariff as a result of or otherwise associated with, the transmission capacity, if any, created by the Upgrades.

22.16 Modifications Related to NYISO's Compliance with Order No. 2023

If, as part of the NYISO's compliance proceeding at the Commission in response to Order No. 2023, the Commission directs that the NYISO modify the *pro forma* Standard Multiparty Upgrade Construction Agreement located in Appendix 17 of Attachment HH to the ISO OATT, the Parties shall amend and restate this Agreement to incorporate the modifications; *provided*, *however*, the Parties may agree to include in the amended and restated agreement non-conforming changes to any terms of the *pro forma* Standard Multiparty Upgrade Construction Agreement that have been modified to comply with the Commission's order, which non-conforming modifications must be filed with the Commission for its acceptance.

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

New York Independent System Operator, Inc.

By: _____

Name:_____

Title: _____

Date: _____

[Insert Name of System Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Construction Services

Appendix B

Addresses for Delivery of Notices and Billings

Appendix C

In-Service Date

APPENDIX A

CONSRUCTION SERVICES

1. Upgrades

[Insert description of Upgrades and specify Interconnection Customers' and System Owner's responsibilities to design, procure, and construction Upgrades]

2. Security and Interconnection Customers' Common Upgrades Cost Cap

[Insert table indicating Interconnection Customers' Common Upgrades Cost Cap amount and insert description of security provided by Interconnection Customers to System Owner for Upgrades]

3. Invoice Share

[Insert table indicating each Interconnection Customer's Invoice Share percentage reflecting each Interconnection Customer's cost responsibility for the Upgrades]

4. Milestones

Item	Milestone	Date	Responsible Party
1.	[insert milestones]	[insert date]	
2.	In-Service Date	[insert date]	
3.	Completion Date	[insert date]	

5. Estimated Tax Liability

[If applicable]

APPENDIX B

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX C

IN-SERVICE DATE

[**Date**]

[Insert NYISO address]

[Insert System Owner address]

[Insert Interconnection Customer addresses]

Re: [Insert project name] Upgrades

Dear _____:

On **[Date] [System Owner/Interconnection Customers]** has completed the Upgrades. This letter confirms that [**describe Upgrades**] have commenced service, effective as of [**Date plus one day**].

Thank you.

[**Signature**]

[**Interconnection Customers'/System Owner's Representative(s)**]