SERVICE AGREEMENT NO. 2624

STANDARD SMALL GENERATOR INTERCONNECTION AGREEMENT

BETWEEN NIAGARA MOHAWK POWER CORPORATION D/B/A NATIONAL   
 GRID AND TESLA, INC.

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This Small Generator Interconnection Agreement (“Agreement” or “SGIA”) is made and entered into this 29th day of March, 2021, by and between Niagara Mohawk Power Corporation d/b/a National Grid, a corporation organized and existing under the laws of the State of New York (“Connecting Transmission Owner”), and Tesla, Inc., a corporation organized and existing under the laws of the State of Delaware (“Interconnection Customer”) each hereinafter sometimes   
referred to individually as “Party” or referred to together as the “Parties.”

Connecting Transmission Owner Information

Niagara Mohawk Power Corporation d/b/a National Grid   
Attention: Kevin Reardon, Director, Commercial Services

Address: 40 Sylvan Road

City: Waltham State: MA Zip: 02451

Phone: (781) 907-2411

Fax: (781) 907-5707

Interconnection Customer Information   
 Address: 3500 Deer Creek Road

City: Palo Alto State: CA Zip: 94304

Phone: +1. 650.681.5000. Fax: NA

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

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Article 1 Scope and Limitations of Agreement

1.1 Applicability

This Agreement hereby incorporates by reference the terms of the ISO OATT as they apply to interconnection services provided by the Connecting Transmission Owner and taken by the Interconnection Customer. To the extent a conflict exists between the terms and conditions of this Agreement and the ISO OATT, the provisions of this Agreement shall prevail.

1.2 Purpose

This Agreement governs the terms and conditions under which the Interconnection

Customer’s Small Generating Facility will interconnect with, and operate in parallel with, the New York State Transmission System or the Distribution System.

1.3 Scope of Interconnection Service

1.3.1 The New York Independent System Operator, Inc., a not-for-profit corporation   
 organized and existing under the laws of the laws of the State of New York   
 (“NYISO”) will provide Energy Resource Interconnection Service to   
 Interconnection Customer at the Point of Interconnection.

1.3.2 This Agreement does not constitute an agreement to purchase or deliver the

Interconnection Customer’s power. The purchase or delivery of power and other   
services that the Interconnection Customer may require will be covered under   
separate agreements, if any, or applicable provisions of NYISO’s or Connecting   
Transmission Owner’s tariffs. The Interconnection Customer will be responsible   
for separately making all necessary arrangements (including scheduling) for   
delivery of electricity in accordance with the applicable provisions of the ISO   
OATT and Connecting Transmission Owner’s tariff. 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 Services Tariff or any   
Connecting Transmission Owner’s tariff. If Interconnection Customer wishes to   
supply or purchase Energy, Installed Capacity or Ancillary Services, then   
Interconnection Customer will make application to do so in accordance with the   
NYISO Services Tariff or Connecting Transmission Owner’s tariff.

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1.4 Limitations

Nothing in this Agreement is intended to affect any other agreement between the

Connecting Transmission Owner and the Interconnection Customer, except as otherwise expressly provided herein.

1.5 Responsibilities of the Parties

1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all   
 Applicable Laws and Regulations, Operating Requirements, and Good Utility   
 Practice.

1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain   
 its Small Generating Facility and construct, operate, and maintain its   
 Interconnection Facilities in accordance with the applicable manufacturer’s   
 recommended maintenance schedule, and in accordance with this Agreement, and   
 with Good Utility Practice.

1.5.3 The Connecting Transmission Owner shall construct, operate, and maintain its

Interconnection Facilities and Upgrades covered by this Agreement in accordance with this Agreement, and with Good Utility Practice.

1.5.4 The Interconnection Customer agrees to construct its facilities or systems in

accordance with applicable specifications that meet or exceed those provided by   
the National Electrical Safety Code, the American National Standards Institute,   
IEEE, Underwriter’s Laboratory, and Operating Requirements in effect at the time   
of construction and other applicable national and state codes and standards. The   
Interconnection Customer agrees to design, install, maintain, and operate its Small   
Generating Facility so as to reasonably minimize the likelihood of a disturbance   
adversely affecting or impairing the system or equipment of the Connecting

Transmission Owner or Affected Systems.

1.5.5 The Connecting Transmission Owner and Interconnection Customer shall operate,   
 maintain, repair, and inspect, and shall be fully responsible for the facilities that it   
 now or subsequently may own unless otherwise specified in the Attachments to this   
 Agreement. Each Party shall be responsible for the safe installation, maintenance,   
 repair and condition of its respective lines and appurtenances on its respective sides   
 of the point of change of ownership. The Connecting Transmission Owner and the   
 Interconnection Customer, as appropriate, shall provide Interconnection Facilities   
 that adequately protect the Connecting Transmission Owner’s electric system,   
 personnel, and other persons from damage and injury. The allocation of

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responsibility for the design, installation, operation, maintenance and ownership of   
Interconnection Facilities shall be delineated in the Attachments to this Agreement.

1.5.6 The Connecting Transmission Owner shall cooperate with the NYISO to   
 coordinate with all Affected Systems to support the interconnection.

1.5.7 The Interconnection Customer shall ensure “frequency ride through” capability and

“voltage ride through” capability of its Small Generating Facility. The

Interconnection Customer shall enable these capabilities such that its Small

Generating Facility shall not disconnect automatically or instantaneously from the   
system or equipment of the Connecting Transmission Owner and any Affected   
Systems for a defined under-frequency or over-frequency condition, or an   
under-voltage or over-voltage condition, as tested pursuant to section 2.1 of this   
Agreement. The defined conditions shall be 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. The   
Small Generating Facility’s protective equipment settings shall comply with the   
Transmission Owner’s automatic load-shed program. The Transmission Owner   
shall review the protective equipment settings to confirm compliance with the   
automatic load-shed program. The term “ride through” as used herein shall mean   
the ability of a Small Generating Facility to stay connected to and synchronized   
with the system or equipment of the Transmission Owner and any Affected   
Systems during system disturbances within a range of 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 on a comparable   
basis. The term “frequency ride through” as used herein shall mean the ability of a   
Small Generating Facility to stay connected to and synchronized with the system or   
equipment of the Transmission Owner and any Affected Systems during system   
disturbances within a range of under-frequency and over-frequency 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. The term “voltage ride through” as used herein shall   
mean the ability of a Small Generating Facility to stay connected to and   
synchronized with the system or equipment of the Transmission Owner and any   
Affected Systems during system disturbances within a range of 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.

1.6 Parallel Operation Obligations

Once the Small Generating Facility has been authorized to commence parallel operation,   
the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel   
operation of the Small Generating Facility in the applicable control area, including, but not limited

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to: (1) the rules and procedures concerning the operation of generation set forth in the NYISO tariffs or ISO Procedures or the Connecting Transmission Owner’s tariff; (2) any requirements consistent with Good Utility Practice or that are necessary to ensure the safe and reliable operation of the Transmission System or Distribution System; and (3) the Operating Requirements set forth in Attachment 5 of this Agreement.

1.7 Metering

The Interconnection Customer shall be responsible for the Connecting Transmission   
Owner’s reasonable and necessary cost for the purchase, installation, operation, maintenance,   
testing, repair, and replacement of metering and data acquisition equipment specified in   
Attachments 2 and 3 of this Agreement. The Interconnection Customer’s metering (and data   
acquisition, as required) equipment shall conform to applicable industry rules and Operating   
Requirements.

1.8 Reactive Power and Primary Frequency Response

1.8.1 Power Factor Design Criteria

1.8.1.1 Synchronous Generation. The Interconnection Customer shall design its Small Generating Facility to maintain a 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 Small Generating Facility interconnects has established different requirements that apply to all similarly situated generators in the New York Control Area or Transmission District (as applicable) on a   
comparable basis, in accordance with Good Utility Practice.

1.8.1.2 Non-Synchronous Generation. The Interconnection Customer shall

design its Small Generating Facility to maintain a 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 Small Generating   
Facility interconnects has established a different power factor range that applies to   
all similarly situated non-synchronous generators in the 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 interconnecting non-synchronous   
generators that have not yet executed a Facilities Study Agreement as of September

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21, 2016.

1.8.2 The Parties understand that the Interconnection Customer shall be paid by the   
 NYISO for reactive power, or voltage support service, that the Interconnection   
 Customer provides from the Small Generating Facility in accordance with Rate   
 Schedule 2 of the NYISO Services Tariff.

1.8.3 Primary Frequency Response. Interconnection Customer shall ensure the primary

frequency response capability of its Small 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 Small Generating 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 and ±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 Small   
Generating Facility, and shall be linear in the range of frequencies between 59 to 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 Small 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 Small 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. Interconnection Customer shall notify NYISO that the primary   
frequency response capability of the Small Generating Facility has been tested and   
confirmed during commissioning. Once Interconnection Customer has   
synchronized the Small Generating Facility with the New York State Transmission   
System, Interconnection Customer shall operate the Small Generating Facility   
consistent with the provisions specified in Articles 1.8.3.1 and 1.8.3.2 of this   
Agreement. The primary frequency response requirements contained herein shall   
apply to both synchronous and non-synchronous Small Generating Facilities.

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1.8.3.1 Governor or Equivalent Controls. Whenever the Small Generating Facility   
is operated in parallel with the New York State Transmission System,   
Interconnection Customer shall operate the Small Generating 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 Small Generating 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   
Small Generating Facility’s governor or equivalent controls to a minimum   
whenever the Small Generating Facility is operated in parallel with the New York   
State Transmission System.

1.8.3.2 Timely and Sustained Response. Interconnection Customer shall ensure   
that the Small 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   
Small Generating 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 Small 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.

1.8.3.3 Exemptions. Small Generating Facilities that are regulated by the United States Nuclear Regulatory Commission shall be exempt from Articles 1.8.3,

1.8.3.1, and 1.8.3.2 of this Agreement. Small 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

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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 1.8.3, but shall be otherwise   
exempt from the operating requirements in Articles 1.8.3, 1.8.3.1, 1.8.3.2, and

1.8.3.4 of this Agreement.

1.8.3.4 Electric Storage Resources. Interconnection Customer interconnecting an   
electric storage resource shall establish an operating range in Attachment 5 of its   
SGIA 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 1.8.3,

1.8.3.1, 1.8.3.2, and 1.8.3.3 of this Agreement. Attachment 5 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 Attachment 5 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 1.8.3.2 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.

1.9 Capitalized Terms

Capitalized terms used herein shall have the meanings specified in the Glossary of Terms

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in Attachment 1 or the body of this Agreement. Capitalized terms used herein that are not so defined shall have the meanings specified in Appendix 1 of Attachment Z, Section 25.1.2 of Attachment S, or Section 30.1 of Attachment X of the ISO OATT.

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Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

2.1.1 The Interconnection Customer shall test and inspect its Small Generating Facility   
 and Interconnection Facilities prior to interconnection. The Interconnection   
 Customer shall notify the NYISO and the Connecting Transmission Owner of such   
 activities no fewer than five Business Days (or as may be agreed to by the Parties)   
 prior to such testing and inspection. Testing and inspection shall occur on a   
 Business Day. The Connecting Transmission Owner may, at its own expense,   
 send qualified personnel to the Small Generating Facility site to inspect the   
 interconnection and observe the testing. The Interconnection Customer shall   
 provide the NYISO and Connecting Transmission Owner a written test report when   
 such testing and inspection is completed. The Small Generating Facility may not   
 commence parallel operations if the NYISO, in consultation with the Connecting   
 Transmission Owner, finds that the Small Generating Facility has not been   
 installed as agreed upon or may not be operated in a safe and reliable manner.

2.1.2 The Connecting Transmission Owner shall, and the NYISO may, provide the   
 Interconnection Customer written acknowledgment that it has received the   
 Interconnection Customer’s written test report. Such written acknowledgment   
 shall not be deemed to be or construed as any representation, assurance, guarantee,   
 or warranty by the NYISO or Connecting Transmission Owner of the safety,   
 durability, suitability, or reliability of the Small Generating Facility or any   
 associated control, protective, and safety devices owned or controlled by the   
 Interconnection Customer or the quality of power produced by the Small   
 Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 The Connecting Transmission Owner, in consultation with the NYISO, shall use   
 Reasonable Efforts to list applicable parallel Operating Requirements in   
 Attachment 5 of this Agreement. Additionally, the Connecting Transmission   
 Owner, in consultation with the NYISO, shall notify the Interconnection Customer   
 of any changes to these requirements as soon as they are known. The NYISO and   
 Connecting Transmission Owner shall make Reasonable Efforts to cooperate with   
 the Interconnection Customer in meeting requirements necessary for the   
 Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its Small Generating Facility in   
 parallel with the New York State Transmission System or the Distribution System

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without prior written authorization of the NYISO. The Parties understand that the   
NYISO, in consultation with the Connecting Transmission Owner, will provide   
such authorization once the NYISO receives notification that the Interconnection   
Customer has complied with all applicable parallel Operating Requirements.   
Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

2.3.1 Upon reasonable notice, the NYISO and/or Connecting Transmission Owner may   
 send a qualified person to the premises of the Interconnection Customer at or   
 immediately before the time the Small Generating Facility first produces energy to   
 inspect the interconnection, and observe the commissioning of the Small   
 Generating Facility (including any required testing), startup, and operation for a   
 period of up to three Business Days after initial start-up of the unit. In addition,   
 the Interconnection Customer shall notify the NYISO and Connecting   
 Transmission Owner at least five Business Days prior to conducting any on-site   
 verification testing of the Small Generating Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and   
 upon reasonable notice, or at any time without notice in the event of an emergency   
 or hazardous condition, the NYISO and Connecting Transmission Owner each   
 shall have access to the Interconnection Customer’s premises for any reasonable   
 purpose in connection with the performance of the obligations imposed on them by   
 this Agreement or if necessary to meet their legal obligation to provide service to   
 their customers.

2.3.3 Each Party shall be responsible for its own costs associated with following this   
 article.

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Article 3 Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by the FERC. The   
Connecting Transmission Owner shall promptly file, or cause to be filed, this Agreement with   
FERC upon execution, if required. If the Agreement is disputed and the Interconnection   
Customer requests that it be filed with FERC in an unexecuted form, the Connecting Transmission Owner shall file, or cause to be filed, this Agreement and the Connecting Transmission Owner   
shall identify the disputed language.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in effect for a period of five (5) years from the Effective Date or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Agreement.

3.3 Termination

No termination 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 (if required), which notice has been accepted for filing by FERC.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by   
 giving the Connecting Transmission Owner 20 Business Days written notice.   
 The Connecting Transmission Owner may terminate this Agreement after the   
 Small Generating Facility is Retired.

3.3.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.

3.3.3 Upon termination of this Agreement, the Small Generating Facility will be

disconnected from the New York State Transmission System or the Distribution System, as applicable. 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.

3.3.4 The termination of this Agreement shall not relieve either Party of its liabilities and

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obligations, owed or continuing at the time of the termination. The

Interconnection Customer shall pay all amounts in excess of any deposit or other   
security without interest within 30 calendar days after receipt of the invoice for   
such amounts. If the deposit or other security exceeds the invoice, the Connecting   
Transmission Owner shall refund such excess within 30 calendar days of the   
invoice without interest. If the Interconnection Customer disputes an amount to be   
paid the Interconnection Customer shall pay the disputed amount to the Connecting   
Transmission Owner or into an interest bearing escrow account, pending resolution   
of the dispute in accordance with Article 10 of this Agreement. To the extent the   
dispute is resolved in the Interconnection Customer’s favor, that portion of the   
disputed amount will be returned to the Interconnection Customer with interest at   
rates applicable to refunds under the Commission’s regulations. To the extent the   
dispute is resolved in the Connecting Transmission Owner’s favor, that portion of   
any escrowed funds and interest will be released to the Connecting Transmission   
Owner.

3.3.5 The limitations of liability, indemnification and confidentiality provisions of this   
 Agreement shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions

“Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the   
Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of   
the NYISO or Connecting Transmission Owner, is imminently likely (as determined in a   
non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the   
New York State Transmission System or Distribution System, the Connecting Transmission   
Owner’s Interconnection Facilities or the electric systems of others to which the New York State   
Transmission System or Distribution System is directly connected; or (3) that, in the case of the   
Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to   
cause a material adverse effect on the security of, or damage to, the Small Generating Facility or   
the Interconnection Customer’s Interconnection Facilities. Under Emergency Conditions, the   
NYISO or Connecting Transmission Owner may immediately suspend interconnection service   
and temporarily disconnect the Small Generating Facility. The Connecting Transmission Owner   
shall notify the Interconnection Customer promptly when it becomes aware of an Emergency   
Condition that may reasonably be expected to affect the Interconnection Customer’s operation of   
the Small Generating Facility. The Interconnection Customer shall notify the NYISO and   
Connecting Transmission Owner promptly when it becomes aware of an Emergency Condition   
that may reasonably be expected to affect the New York State Transmission System or

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Distribution System or any Affected Systems. To the extent information is known, the

notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of each Party’s facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

The NYISO or Connecting Transmission Owner may interrupt interconnection service or   
curtail the output of the Small Generating Facility and temporarily disconnect the Small   
Generating Facility from the New York State Transmission System or Distribution System when   
necessary for routine maintenance, construction, and repairs on the New York State Transmission   
System or Distribution System. The NYISO or the Connecting Transmission Owner shall   
provide the Interconnection Customer with five Business Days notice prior to such interruption.   
The Connecting Transmission Owner shall use Reasonable Efforts to coordinate such reduction or   
temporary disconnection with the Interconnection Customer. The Parties understand that any   
actions the NYISO is authorized to take under this article 3.4.2 are conditioned upon the NYISO’s   
use of Reasonable Efforts to coordinate such reduction or temporary disconnection with the   
Interconnection Customer.

3.4.3 Forced Outages

During any forced outage, the NYISO or Connecting Transmission Owner may suspend   
interconnection service to the Interconnection Customer to effect immediate repairs on the New   
York State Transmission System or the Distribution System. The Connecting Transmission   
Owner shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If   
prior notice is not given, the Connecting Transmission Owner shall, upon request, provide the   
Interconnection Customer written documentation after the fact explaining the circumstances of the   
disconnection. The Parties understand that any suspension or disconnection the NYISO is   
authorized to make under this article 3.4.3 is conditioned upon: (i) the NYISO’s use of Reasonable   
Efforts to provide the Interconnection Customer with prior notice; and (ii) if prior notice is not   
given, the NYISO’s provision to the Interconnection Customer, upon request, of written   
documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

The NYISO or Connecting Transmission Owner shall notify the Interconnection Customer   
as soon as practicable if, based on Good Utility Practice, operation of the Small Generating   
Facility may cause disruption or deterioration of service to other customers served from the same   
electric system, or if operating the Small Generating Facility could cause damage to the New York   
State Transmission System, the Distribution System or Affected Systems, or if disconnection is   
otherwise required under Applicable Reliability Standards or the ISO OATT. Supporting   
documentation used to reach the decision to disconnect shall be provided to the Interconnection   
Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse   
operating effect within a reasonable time, the NYISO or Connecting Transmission Owner may

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disconnect the Small Generating Facility. The NYISO or Connecting Transmission Owner shall provide the Interconnection Customer with five Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from the NYISO and

Connecting Transmission Owner before making any change to the Small Generating Facility that   
may have a material impact on the safety or reliability of the New York State Transmission System   
or the Distribution System. Such authorization shall not be unreasonably withheld.   
Modifications shall be done in accordance with Good Utility Practice. If the Interconnection   
Customer makes such modification without the prior written authorization of the NYISO and   
Connecting Transmission Owner, the Connecting Transmission Owner shall have the right to   
temporarily disconnect the Small Generating Facility. If disconnected, the Small Generating   
Facility will not be reconnected until the unauthorized modifications are authorized or removed.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility,

Interconnection Facilities, and the New York State Transmission System and Distribution System to their normal operating state as soon as reasonably practicable following a temporary   
disconnection.

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Article 4. Cost Responsibility for Interconnection Facilities and Distribution   
 Upgrades

4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection

Facilities itemized in Attachment 2 of this Agreement. The Connecting

Transmission Owner, shall provide a best estimate cost, including overheads, for   
the purchase and construction of its Interconnection Facilities and provide a   
detailed itemization of such costs. Costs associated with Interconnection   
Facilities may be shared with other entities that may benefit from such facilities by   
agreement of the Interconnection Customer, such other entities, and the Connecting   
Transmission Owner.

4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable   
 expenses, including overheads, associated with (1) owning, operating, maintaining,   
 repairing, and replacing its own Interconnection Facilities, and (2) operating,   
 maintaining, repairing, and replacing the Connecting Transmission Owner’s   
 Interconnection Facilities, as set forth in Attachment 2 to this Agreement.

4.2 Distribution Upgrades

The Connecting Transmission Owner shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If the Connecting   
Transmission Owner and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades. The actual cost of the Distribution Upgrades, including   
overheads, shall be directly assigned to the Interconnection Customer. The Interconnection   
Customer shall be responsible for its share of all reasonable expenses, including overheads,   
associated with owning, operating, maintaining, repairing, and replacing the Distribution   
Upgrades, as set forth in Attachment 6 to this Agreement.

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Article 5. Cost Responsibility for System Upgrade Facilities and System   
 Deliverability Upgrades

5.1 Applicability

No portion of this article 5 shall apply unless the interconnection of the Small Generating Facility requires System Upgrade Facilities or System Deliverability Upgrades.

5.2 System Upgrades

The Connecting Transmission Owner shall procure, construct, install, and own the System   
Upgrade Facilities and System Deliverability Upgrades described in Attachment 6 of this   
Agreement. To the extent that design work is necessary in addition to that already accomplished   
in the Class Year Interconnection Facilities Study for the Interconnection Customer, the   
Connecting Transmission Owner shall perform or cause to be performed such work. If the Parties   
agree, the Interconnection Customer may construct System Upgrade Facilities and System   
Deliverability Upgrades.

5.2.1 As described in Section 32.3.5.3 of the SGIP in Attachment Z of the ISO OATT,   
 the responsibility of the Interconnection Customer for the cost of the System   
 Upgrade Facilities and System Deliverability Upgrades described in Attachment 6   
 of this Agreement shall be determined in accordance with Attachment S of the ISO   
 OATT, as required by Section 32.3.5.3.2 of Attachment Z. The Interconnection   
 Customer shall be responsible for all System Upgrade Facility costs as required by   
 Section 32.3.5.3.2 of Attachment Z or its share of any System Upgrade Facilities   
 and System Deliverability Upgrades costs resulting from the final Attachment S   
 process, as applicable, and Attachment 6 to this Agreement shall be revised   
 accordingly.

5.2.2 Pending the outcome of the Attachment S cost allocation process, if applicable, the   
 Interconnection Customer may elect to proceed with the interconnection of its   
 Small Generating Facility in accordance with Section 32.3.5.3 of the SGIP.

5.3 Special Provisions for Affected Systems

For the repayment of amounts advanced to the Affected System Operator for System

Upgrade Facilities or System Deliverability Upgrades, the Interconnection Customer and Affected   
System Operator shall enter into an agreement that provides for such repayment, but only if   
responsibility for the cost of such System Upgrade Facilities is not to be allocated in accordance   
with Attachment S of the ISO OATT. The agreement shall specify the terms governing payments

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to be made by the Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 The Connecting Transmission Owner shall bill the Interconnection Customer for   
 the design, engineering, construction, and procurement costs of Interconnection   
 Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as   
 otherwise agreed by the Parties. The Interconnection Customer shall pay all   
 invoice amounts within 30 calendar days after receipt of the invoice.

6.1.2 Within three months of completing the construction and installation of the

Connecting Transmission Owner’s Interconnection Facilities and/or Upgrades

described in the Attachments to this Agreement, the Connecting Transmission

Owner shall provide the Interconnection Customer with a final accounting report of   
any difference between (1) the Interconnection Customer’s cost responsibility for   
the actual cost of such facilities or Upgrades, and (2) the Interconnection   
Customer’s previous aggregate payments to the Connecting Transmission Owner   
for such facilities or Upgrades. If the Interconnection Customer’s cost   
responsibility exceeds its previous aggregate payments, the Connecting   
Transmission Owner shall invoice the Interconnection Customer for the amount   
due and the Interconnection Customer shall make payment to the Connecting   
Transmission Owner within 30 calendar days. If the Interconnection Customer’s   
previous aggregate payments exceed its cost responsibility under this Agreement,   
the Connecting Transmission Owner shall refund to the Interconnection Customer   
an amount equal to the difference within 30 calendar days of the final accounting   
report.

6.1.3 If the Interconnection Customer disputes an amount to be paid, the Interconnection   
 Customer shall pay the disputed amount to the Connecting Transmission Owner or   
 into an interest bearing escrow account, pending resolution of the dispute in   
 accordance with Article 10 of this Agreement. To the extent the dispute is   
 resolved in the Interconnection Customer’s favor, that portion of the disputed   
 amount will be credited or returned to the Interconnection Customer with interest at   
 rates applicable to refunds under the Commission’s regulations. To the extent the   
 dispute is resolved in the Connecting Transmission Owner’s favor, that portion of   
 any escrowed funds and interest will be released to the Connecting Transmission   
 Owner.

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6.2 Milestones

Subject to the provisions of the SGIP, the Parties shall agree on milestones for which each   
Party is responsible and list them in Attachment 4 of this Agreement. A Party’s obligations under   
this provision may be extended by agreement. If a Party anticipates that it will be unable to meet   
a milestone for any reason other than a Force Majeure event, it shall immediately notify the other   
Party of the reason(s) for not meeting the milestone and: (1) propose the earliest reasonable   
alternate date by which it can attain this and future milestones, and (2) requesting appropriate   
amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not   
unreasonably withhold agreement to such an amendment unless: (1) it will suffer significant   
uncompensated economic or operational harm from the delay, (2) attainment of the same   
milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the   
milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party   
proposing the amendment.

6.3 Financial Security Arrangements

At least 20 Business Days prior to the commencement of the design, procurement,

installation, or construction of a discrete portion of the Connecting Transmission Owner’s

Interconnection Facilities and Upgrades, the Interconnection Customer shall provide the

Connecting Transmission 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 the Connecting   
Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction   
where the Point of Interconnection is located. Such security for payment shall be in an amount   
sufficient to cover the costs for constructing, designing, procuring, and installing the applicable   
portion of the Connecting Transmission Owner’s Interconnection Facilities and Upgrades and   
shall be reduced on a dollar-for-dollar basis for payments made to the Connecting Transmission   
Owner under this Agreement during its term. The Connecting Transmission Owner may draw on   
any such security to the extent that the Interconnection Customer fails to make any payments due   
under this Agreement. In addition:

6.3.1 The guarantee must be made by an entity that meets the creditworthiness

requirements of the Connecting Transmission Owner, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer   
 reasonably acceptable to the Connecting Transmission Owner and must specify a   
 reasonable expiration date.

6.3.3 Notwithstanding the above, Security posted for System Upgrade Facilities for a   
 Small Generating Facility required to enter the Class Year process, or cash or

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Security provided for System Deliverability Upgrades, shall meet the requirements for Security contained in Attachment S to the ISO OATT.

Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages,

and Default

7.1 Assignment

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. This   
Agreement may be assigned by either Party upon 15 Business Days prior written notice and   
opportunity to object by the other Party; provided that:

7.1.1 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 that the Interconnection Customer promptly   
 notifies the NYISO and the Connecting Transmission Owner of any such   
 assignment. A Party may assign this Agreement without the consent of the other   
 Party in connection with the sale, merger, restructuring, or transfer of a substantial   
 portion of all of its assets, including the Interconnection Facilities it owns, so long   
 as the assignee in such a transaction directly assumes all rights, duties and   
 obligation arising under this Agreement.

7.1.2 The 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 Small Generating   
Facility.

7.1.3 Any attempted assignment that violates this article is void and ineffective.

Assignment shall not relieve a Party of its obligations, nor shall a Party’s

obligations be enlarged, in whole or in part, by reason thereof. An assignee is

responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

Each Party’s liability to the other Party 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.

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In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result   
 of carrying out the provisions of this Agreement. Liability under this provision is   
 exempt from the general limitations on liability found in article 7.2.

7.3.2 Each Party (the “Indemnifying Party”) shall at all times indemnify, defend, and

hold harmless the other Party (the “ 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 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 by the Indemnified Party, or (ii) the violation by the   
Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of a Hazardous Substance.

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

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

7.3.5 Promptly after receipt by the 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 this article 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.

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7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall 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 the   
other Party under another agreement will not be considered to be special, indirect, incidental, or   
consequential damages hereunder.

7.5 Force Majeure

7.5.1 As used in this article, a “Force Majeure Event” 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 an act of negligence or intentional wrongdoing.” For the   
 purposes of this article, this definition of Force Majeure shall supersede the   
 definitions of Force Majeure set out in Section 32.10.1 of the ISO OATT.

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this   
 Agreement, the Party affected by the Force Majeure Event (“Affected Party”) shall   
 promptly notify the other Party, either in writing or via the telephone, of the   
 existence of the Force Majeure Event. The notification must specify in reasonable   
 detail the circumstances of the Force Majeure Event, its expected duration, and the   
 steps that the Affected Party is taking to mitigate the effects of the event on its   
 performance. The Affected Party shall keep the other Party informed on a   
 continuing basis of developments relating to the Force Majeure Event until the   
 event ends. The Affected Party will be entitled to suspend or modify its   
 performance of obligations under this Agreement (other than the obligation to   
 make payments) only to the extent that the effect of the Force Majeure Event   
 cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use   
 Reasonable Efforts to resume its performance as soon as possible.

7.6 Breach and Default

7.6.1 No Breach of this Agreement shall exist where such failure to discharge an

obligation (other than the payment of money) is the result of a Force Majeure Event   
or the result of an act or omission of the other Party. Upon a Breach, the   
non-breaching Party shall give written notice of such Breach to the Breaching

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Party. Except as provided in article 7.6.2, the Breaching Party shall have 60

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 60 calendar days,   
the Breaching Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Breach notice; and, if cured within such time, the Breach specified in such   
notice shall cease to exist.

7.6.2 If a Breach is not cured as provided in this article, or if a Breach is not capable of   
 being cured within the period provided for herein, a Default shall exist and the   
 non-defaulting Party shall thereafter have the right to terminate this Agreement, in   
 accordance with article 3.3 hereof, by written notice to the defaulting Party at any   
 time until cure occurs, and be relieved of any further obligation hereunder and,   
 whether or not that Party 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 shall survive   
 termination of this Agreement.

7.6.3 In cases where the Interconnection Customer has elected to proceed under Section

32.3.5.3 of the SGIP, if the Interconnection Request is withdrawn or deemed

withdrawn pursuant to the SGIP during the term of this Agreement, this Agreement shall terminate.

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Article 8. Insurance

8.1 The Interconnection Customer shall, at its own expense, maintain in force general liability

insurance without any exclusion for liabilities related to the interconnection undertaken   
pursuant to this Agreement. The amount of such insurance shall be sufficient to insure   
against all reasonably foreseeable direct liabilities given the size and nature of the   
generating equipment being interconnected, the interconnection itself, and the   
characteristics of the system to which the interconnection is made. Such insurance   
coverage is specified in Attachment 7 to this Agreement. The Interconnection Customer   
shall obtain additional insurance only if necessary as a function of owning and operating a   
generating facility. Such insurance shall be obtained from an insurance provider   
authorized to do business in New York State where the interconnection is located.   
Certification that such insurance is in effect shall be provided upon request of the   
Connecting Transmission Owner, except that the Interconnection Customer shall show   
proof of insurance to the Connecting Transmission Owner no later than ten Business Days   
prior to the anticipated commercial operation date. An Interconnection Customer of   
sufficient creditworthiness may propose to self-insure for such liabilities, and such a   
proposal shall not be unreasonably rejected.

8.2 The Connecting Transmission Owner agree to maintain general liability insurance or

self-insurance consistent with the existing commercial practice. Such insurance or   
self-insurance shall not exclude the liabilities undertaken pursuant to this Agreement.

8.3 The Parties further agree to notify one another whenever an accident or incident occurs

resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

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Article 9. Confidentiality

9.1 Confidential Information shall mean any confidential and/or proprietary information

provided by one Party to the other Party that is clearly marked or otherwise designated

“Confidential.” For purposes of this Agreement all design, operating specifications, and   
metering data provided by the Interconnection Customer shall be deemed Confidential   
Information regardless of whether it is clearly marked or otherwise designated as such.   
Confidential Information shall include, without limitation, information designated as such   
by the NYISO Code of Conduct contained in Attachment F to the ISO OATT.

9.2 Confidential Information does not include information previously in the public domain,

required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party   
providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

9.2.1 Each Party shall employ at least the same standard of care to protect Confidential   
 Information obtained from the other Party as it employs to protect its own   
 Confidential Information.

9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its   
 rights under this provision to prevent the release of Confidential Information   
 without bond or proof of damages, and may seek other remedies available at law or   
 in equity for breach of this provision.

9.3 Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR §

lb.20, if FERC, during the course of an investigation or otherwise, requests

information from the other Party that is otherwise required to be maintained in   
confidence pursuant to this Agreement, the Party shall provide the requested   
information to FERC, within the time provided for in the request for information.   
In providing the information to FERC, the Party may, consistent with 18 CFR §   
388.112, request that the information be treated as confidential and non-public by   
FERC and that the information be withheld from public disclosure. Each Party is   
prohibited from notifying the other Party to this Agreement prior to the release of   
the Confidential Information to FERC. The Party shall notify the other Party to   
this Agreement when it is notified by FERC 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 CFR §   
388.112. Requests from a state regulatory body conducting a confidential

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investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

9.4 Consistent with the provisions of this article 9, the Parties to this Agreement will

cooperate in good faith to provide each other, Affected Systems, Affected System

Operators, and state and federal regulators the information necessary to carry out

the terms of the SGIP and this Agreement.

Article 10. Disputes

10.1 The Connecting Transmission Owner and Interconnection Customer agree to attempt to

resolve all disputes arising out of the interconnection process according to the provisions of

this article.

10.2 In the event of a dispute, the Parties will first attempt to promptly resolve it on an informal

basis. If the Parties cannot promptly resolve the dispute on an informal basis, then either Party shall provide the other Party with a written Notice of Dispute. Such notice shall describe in detail the nature of the dispute.

10.3 If the dispute has not been resolved within two Business Days after receipt of the notice,

either Party may contact FERC’s Dispute Resolution Service (“DRS”) for assistance in resolving the dispute.

10.4 The DRS will assist the Parties in either resolving their dispute or in selecting an

appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral

evaluation, or technical expert) to assist the Parties in resolving their dispute. The result of this dispute resolution process will be binding only if the Parties agree in advance. DRS can be reached at 1-877-337-2237 or via the internet at

[http://www.ferc.gov/legal/adr.asp.](http://www.ferc.gov/legal/adr.asp./)

10.5 Each Party agrees to conduct all negotiations in good faith and will be responsible for

one-half of any costs paid to neutral third-parties.

10.6 If either Party elects to seek assistance from the DRS, or if the attempted dispute resolution

fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

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Article 11. Taxes

11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with

FERC policy and Internal Revenue Service requirements.

11.2 Each Party shall cooperate with the other Parties to maintain the other Party’s tax status.

Nothing in this Agreement is intended to adversely affect the tax status of either Party

including 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.

11.3 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.

11.4 Any payments due to the Connecting Transmission Owner under this Agreement shall be

adjusted to include any tax liability incurred by the Connecting Transmission Owner with respect to the interconnection request which is the subject of this Agreement. Such   
adjustments shall be made in accordance with the provisions of Article 5.17 of the LGIA in Attachment X of the ISO OATT. Except where otherwise noted, all costs, deposits,   
financial obligations and the like specified in this Agreement shall be assumed not to   
reflect the impact of applicable taxes.

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Article 12. Miscellaneous

12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by the Parties, or under article 12.12 of this Agreement.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any   
character whatsoever in favor of any persons, corporations, associations, or entities other than the   
Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their   
successors in interest and where permitted, their assigns. Notwithstanding the foregoing, any   
subcontractor of the Connecting Transmission Owner assisting that Party with the Interconnection   
Request covered by this Agreement shall be entitled to the benefits of indemnification provided for   
under Article 7.3 of this Agreement and the limitation of liability provided for in Article 7.2 of this   
Agreement.

12.4 Waiver

12.4.1 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.

12.4.2 Any waiver at any time by a 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 the Interconnection Customer’s legal rights to obtain an   
 interconnection from the NYISO. Any waiver of this Agreement shall, if   
 requested, be provided in writing.

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12.5 Entire Agreement

This Agreement, including all Attachments, 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.

12.6 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.

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be   
invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental   
Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties   
shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were   
affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and   
effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware   
and software is essential to ensure day-to-day reliability and operational security. FERC expects   
the NYISO, the Connecting Transmission Owner, Market Participants, and Interconnection   
Customers interconnected to electric systems 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 are expected to meet   
basic standards for system infrastructure and operational security, including physical, operational,

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and cyber-security practices.

12.10 Environmental Releases

Each Party shall 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 Small Generating Facility or the Interconnection Facilities, each of which   
may reasonably be expected to affect the other Party. The notifying Party shall: (1) provide the   
notice as soon as practicable, provided such Party makes a good faith effort to provide the notice   
no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish   
to the other Party copies of any publicly available reports filed with any governmental authorities   
addressing such events.

12.11 Subcontractors

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 Party for the performance of such subcontractor.

12.11.1 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 Party to the extent provided for in Articles

7.2 and 7.3 above 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 Connecting Transmission Owner be liable for the actions   
or inactions of the Interconnection Customer or its subcontractors with   
respect to obligations of the Interconnection Customer under 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.

12.11.2 The obligations under this article will not be limited in any way by any

limitation of subcontractor’s insurance.

12.12 Reservation of Rights

Nothing in this Agreement shall alter the right of the Connecting Transmission Owner 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

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applicable provision of the Federal Power Act and FERC’s rules and regulations thereunder which rights are expressly reserved herein, and the existing rights of the Interconnection Customer to   
make a unilateral filing with FERC to modify this Agreement under any applicable provision of   
the Federal Power Act and FERC’s rules and regulations are also expressly reserved herein;   
provided that each Party shall have the right to protest any such filing by the other 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, except to the extent that the   
Parties otherwise agree as provided herein.

Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Tesla, Inc.

Attention: General Counsel

Address: 3500 Deer Creek Road

City: Palo Alto State: CA Zip: 94304

Phone: +1. 650.681.5000

If to the Connecting Transmission Owner:

Niagara Mohawk Power Corporation d/b/a/ National Grid   
Attention: Kevin Reardon, Director, Commercial Services

Address: 40 Sylvan Road

City: Waltham State: MA Zip: 02451

Phone: (781) 907-2411

Fax: (781) 907-5707

E-mail: Kevin.reardon@nationalgrid.com

If to the NYISO:

Attention: Vice President, Operations

Address: New York Independent System Operator, Inc., 3890 Carman Road

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City: Schenectady State: NY Zip: 12303

Phone: (518) 356-6000

Fax: (518) 356-6118

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer: Tesla, Inc.

Attention: Neil Libidinsky

Address: 6611 S Las Vegas Blvd, Suite 200

City: Las Vegas, State: NV Zip: 89119

Phone: 702.680.6762

E-mail: commercial.interconnection@tesla.com

Connecting Transmission Owner:

Niagara Mohawk Power Corporation d/b/a/ National Grid   
Attention: Kevin Reardon, Director, Commercial Services

Address: 40 Sylvan Road

City: Waltham State: MA Zip: 02451

Phone: (781) 907-2411

Fax: (781) 907-5707

E-mail: Kevin.reardon@nationalgrid.com

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer: Tesla, Inc. Attention: General Counsel

Address: 3500 Deer Creek Road

City: Palo Alto State: CA Zip: 94304

Phone: +1. 650.681.5000   
E-mail: legal@tesla.com

If to the Connecting Transmission Owner:

Niagara Mohawk Power Corporation d/b/a/ National Grid   
Attention: Kevin Reardon, Director, Commercial Services

Address: 40 Sylvan Road

City: Waltham State: MA Zip: 02451

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Phone: (781) 907-2411

Fax: (781) 907-5707

E-mail: Kevin.reardon@nationalgrid.com

If to the NYISO:

Attention: Vice President, Operations

Address: New York Independent System Operator, Inc., 3890 Carman Road

City: Schenectady State: NY Zip: 12303

Phone: (518) 356-6000

Fax: (518) 356-6118

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications   
which may be necessary or convenient for the administration of this Agreement. This person will   
also serve as the point of contact with respect to operations and maintenance of the Party’s   
facilities.

Interconnection Customer’s Operating Representative:

Attention: Neil Libidinsky

Address: 6611 S Las Vegas Blvd, Suite 200

City: Las Vegas, State: NV Zip: 89119

Phone: 702.680.6762

E-mail: commercial.interconnection@tesla.com

Connecting Transmission Owner’s Operating Representative: Niagara Mohawk Corporation d/b/a National Grid

Attention: ERCC Shift Supervisor

Address: 5215 Western Turnpike

City: Altamont State: NY Zip: 12009

Phone: (518) 356-6471

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NYISO’s Operating Representative:

Attention: Vice President, Operations

Address: New York Independent System Operator, Inc., 3890 Carman Road

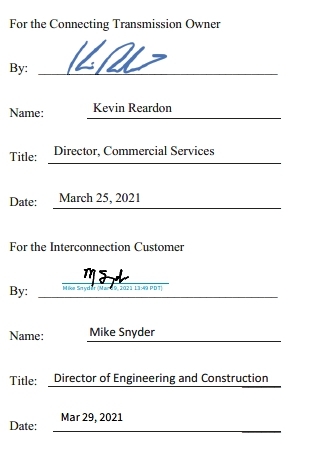
City: Schenectady State: NY Zip: 12303

Phone: (518) 356-6000

Fax: (518) 356-6118

13.5 Changes to the Notice Information

Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.



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Article 14. Signatures

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

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Attachment 1 - Glossary of Terms

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 - Affected System Operator shall mean the operator of any 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 or System Upgrade Facilities are installed pursuant to Attachment Z and Attachment S to the ISO OATT.

Applicable Laws and Regulations - 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 Standards - The criteria, requirements and guidelines of the North

American Electric Reliability Council, the Northeast Power Coordinating Council, the New York   
State Reliability Council and related and successor organizations, or the Transmission District to   
which the Interconnection Customer’s Small Generating Facility is directly interconnected, as   
those criteria, requirements and guidelines are amended and modified and in effect from time to   
time; provided that neither Party shall waive its right to challenge the applicability of or validity of   
any criterion, requirement or guideline as applied to it in the context of Attachment Z to the ISO   
OATT and this Agreement. For the purposes of this Agreement, this definition of Applicable   
Reliability Standards shall supersede the definition of Applicable Reliability Standards set out in   
Attachment X to the ISO OATT.

Base Case - The base case power flow, short circuit, and stability data bases used for the   
Interconnection Studies by NYISO, Connecting Transmission Owner or Interconnection   
Customer; described in Section 32.2.3 of the Large Facility Interconnection Procedures.

Breach - The failure of a Party to perform or observe any material term or condition of this Agreement.

Business Day - Monday through Friday, excluding federal holidays.

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Capacity Resource Interconnection Service - 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 to the ISO OATT; such   
service being one of the eligibility requirements for participation as a NYISO Installed Capacity   
Supplier.

Commercial Operation shall mean the status of the Small Generating Facility that has

commenced generating electricity for sale, excluding electricity generated during Trial Operation,   
notice of which must be provided to the NYISO in the form of Attachment 9 to this Agreement.

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 Attachment 9 to this Agreement.

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 this Agreement.

Default - The failure of a Party in Breach of this Agreement to cure such Breach under this Agreement.

Distribution System - The 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. For the purpose of this Agreement, the term Distribution System shall not include LIPA’s distribution facilities.

Distribution Upgrades - The additions, modifications, and upgrades to the Connecting

Transmission Owner’s Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the transmission service necessary to effect the Interconnection Customer’s wholesale sale of electricity in interstate commerce.   
Distribution Upgrades do not include Interconnection Facilities or System Upgrade Facilities or System Deliverability Upgrades.

Energy Resource Interconnection Service - The service provided by NYISO to interconnect the   
Interconnection Customer’s Small Generating Facility to the New York State Transmission   
System or Distribution System in accordance with the NYISO Minimum Interconnection   
Standard, to enable the New York State Transmission System to receive Energy and Ancillary

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Services from the Small Generating Facility, pursuant to the terms of the ISO OATT.

Force Majeure - 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   
an act of negligence or intentional wrongdoing. For the purposes of this Agreement, this   
definition of Force Majeure shall supersede the definitions of Force Majeure set out in Section

32.2.11 of the NYISO Open Access Transmission Tariff.

Good Utility Practice - 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 - 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 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 the Interconnection Customer, NYISO, Affected   
Transmission Owner, Connecting Transmission Owner or any Affiliate thereof.

Initial Synchronization Date shall mean the date upon which the Small Generating Facility is

initially synchronized and upon which Trial Operation begins, notice of which must be provided to the NYISO in the form of Attachment 8.

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 Interconnection Facilities to obtain back   
feed power.

Interconnection Customer - The entity, including the Transmission Owner or any of the affiliates or subsidiaries, that proposes to interconnect its Small Generating Facility with the New York State Transmission System or the Distribution System.

Interconnection Facilities - The Connecting Transmission Owner’s Interconnection Facilities   
and the Interconnection Customer’s Interconnection Facilities. Collectively, Interconnection

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Facilities include all facilities and equipment between the Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to   
physically and electrically interconnect the Small Generating Facility to the New York State   
Transmission System or the Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or System Upgrade Facilities.

Interconnection Request - The Interconnection Customer’s request, in accordance with the

Tariff, to interconnect a new Small Generating Facility, or to materially increase the capacity of, or   
make a material modification to the operating characteristics of, an existing Small Generating   
Facility that is interconnected with the New York State Transmission System or the Distribution   
System. For the purposes of this Agreement, this definition of Interconnection Request shall   
supersede the definition of Interconnection Request set out in Attachment X to the ISO OATT.

Interconnection Study - Any study required to be performed under Sections 32.2 or 32.3 of the   
SGIP.

ISO - The NYISO.

Material Modification - A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

New York State Transmission System - 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.

NYISO - The New York Independent System Operator, Inc. or its successor.

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 2 MW in order for that facility to obtain CRIS; (ii) any Class Year Transmission Project   
proposing to interconnect to the New York State Transmission System and receive Unforced   
Capacity Delivery Rights; (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 NYISO’s Large Facility   
Interconnection Procedures in Attachment X to the ISO OATT or the NYISO’s Small Generator

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Interconnection Procedures in this 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.

OATT - The Tariff.

Operating Requirements - Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, control area, or the   
Connecting Transmission Owner’s requirements, including those set forth in this Agreement. Operating Requirements shall include Applicable Reliability Standards.

Party or Parties - The Connecting Transmission Owner, Interconnection Customer or both.

Point of Interconnection - The point where the Interconnection Facilities connect with the New York State Transmission System or the Distribution System.

Reasonable Efforts - 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.

Small Generating Facility - The Interconnection Customer’s facility, no larger 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 will be treated as a single Small   
Generating Facility if all units within the facility are behind a single facility meter, even if such   
units are different technology types.

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 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

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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 the form of generic   
generation or transmission projects; and (ii) proposed interconnections. In the case of proposed   
interconnection projects, System Upgrade Facilities are the modification 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 - The NYISO’s Open Access Transmission Tariff, as filed with the FERC, and as amended or supplemented from time to time, or any successor tariff.

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

Upgrades - 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 Distribution Upgrades. Upgrades do not include Interconnection Facilities.

Attachment 2 - Detailed Scope of Work, Including Description and Costs of the Small

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Generating Facility, Interconnection Facilities, and Metering Equipment

Equipment, including the Small Generating Facility, Interconnection Facilities, and

metering equipment shall be itemized and identified as being owned by the Interconnection

Customer, or the Connecting Transmission Owner. The Connecting Transmission Owner will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

A. PROJECT DESCRIPTION

The generating facility, located at 1339 South Park Ave in Buffalo, NY, consists of   
(6,048) 375W solar photovoltaic modules connected to (54) 36.6 kW solar inverters, totaling   
1,976.4 kW-AC of peak generation, installed on the rooftop of the existing customer building.   
The inverters will connect at 480V at three separate locations within the building, at existing   
switchgear serving the building loads, using circuit breakers suitable for the switchgear to which   
they’re connecting. The Point of Interconnection (POI) shall be Structure number 4 of the tap line   
referred to as the Republic Tap from the Gardenville - Ohio Street No. 145 and 146 115 kV   
transmission lines owned by Connecting Transmission Owner. Point of Change of Ownership   
(POCO) is the point of attachment of Connecting Transmission Owner’s conductor to   
Interconnection Customer’s existing A-frame receiving structure at its building. Connecting   
Transmission Owner owns the conductor extending from Structure 4, over the station fence, and to   
the POCO.

B. INTERCONNECTION CUSTOMER’S INTERCONNECTION

FACILITIES

The Interconnection Customer’s Interconnection Facilities consist of all existing 480V,

34.5 kV, and 115 kV equipment and conductors currently providing power to the existing building loads from the Point of Change of Ownership, and which will additionally serve to transmit power from the generating facility to the Point of Interconnection, to the extent that the power is not consumed by the building’s loads.

C. CONNECTING TRANSMISSION OWNER’S INTERCONNECTION

FACILITIES

The Connecting Transmission Owner’s Interconnection Facilities (“CTOIFs”) consist of

all existing structures, conductor and facilities owned by the Connecting Transmission Owner and

located between the POI and PCO.

D. SCOPE OF WORK AND RESPONSIBILITIES

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1. Interconnection Customer’s Scope of Work and Responsibilities

The Interconnection Customer’s Interconnection Facilities shall be designed, constructed, operated, and maintained by the Interconnection Customer in accordance with the following requirements, to the extent not inconsistent with the terms of this Agreement, the NYISO OATT, or applicable NYISO Procedures: NYISO requirements, industry standards and specifications, regulatory requirements, the Connecting Transmission Owner’s applicable Electric System   
Bulletins (“ESBs”), provided at the following website:

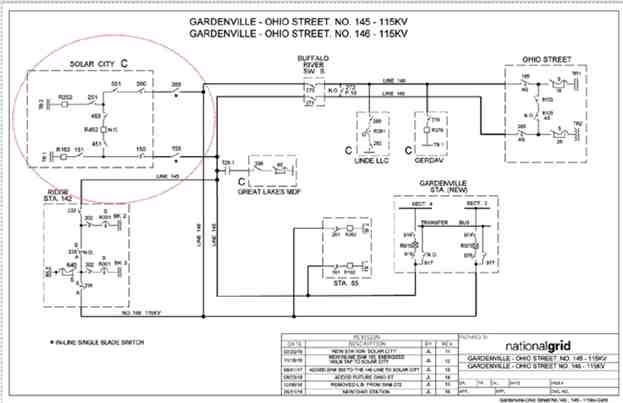
[https://www.nationalgridus.com/ProNet/Technical-Resources/Electric-Specifications](https://www.nationalgridus.com/pronet/technical-resources/electric-specifications/), the Project   
Specific Specifications, and Good Utility Practice. All protection scheme design drawings and   
relay settings shall be prepared by the Interconnection Customer’s NYS licensed professional   
engineer, and the design and equipment specifications shall be provided to the Connecting   
Transmission Owner for review, comment and acceptance, prior to application and testing in   
accordance with the ESBs. Interconnection Customer’s Small Generating Facility is afforded the   
exemptions contained in Article 1.8.3.3 of this Agreement and Interconnection Customer shall   
make Reasonable Efforts to keep outages of the Small Generating Facility’s governor or   
equivalent controls and their impact on droop and deadband capability requirements contained in   
Article 1.8.3 to a minimum whenever the Small Generating Facility is operated in parallel with the   
New York State Transmission System.

2. Connecting Transmission Owner’s Scope of Work and Responsibilities

No new CTOIFs are planned to support this generator. All CTOIF facilities currently exist.   
Operation and maintenance costs associated with the Small Generating Facility, Interconnection   
Customer Interconnection Facilities, and CTOIFs will be borne by the Party owning such   
facilities.

E. ESTIMATED COSTS OF INTERCONNECTION FACILITIES

No new facilities are expected to be constructed by the Connecting Transmission Owner.   
Customer construction document review, site review and witness testing of customer equipment   
are the only activities required of the Connecting Transmission Owner. This is estimated to be a   
cost of $10,000 to the Interconnection Customer and will be reconciled to the actual costs at   
project completion. A refund or further invoice will be generated based on the actual costs.



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Attachment 3 - One-line Diagram Depicting the Small Generating Facility,   
 Interconnection Facilities, Metering Equipment, and Upgrades

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Attachment 4 - Milestones

In-Service Date: 9/16/21

Critical milestones and responsibility as agreed to by the Parties:

Milestone/Date Responsible Party

(1) Application submittal - 11/14/2019 Tesla

(2) Application accepted - 11/27/2019 National Grid

(3) Construction drawing submittal - 6/26/2020 Tesla

(4) Construction drawing review - 8/15/2020 National Grid

(5) Construction Start - 5/13/2021 Tesla

(6) Construction Finish - 8/5/2021 Tesla

(7) Testing plan/document submittal - 8/9/2021 Tesla

(8) Witness test - 8/30/2021 Tesla/National Grid

(9) Issue Permission to Operate - 9/16/2021 National Grid

(10) Project closeout/reconciliation: 3/16/2022 National Grid

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Attachment 5 - Additional Operating Requirements for the New York State Transmission System, the Distribution System and Affected Systems Needed to   
 Support the Interconnection Customer’s Needs

The Connecting Transmission Owner shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the New York State   
Transmission System or the Distribution System.

(a) The Interconnection Customer must comply with all applicable NYISO tariffs and procedures, as amended from time to time.

(b) To the extent not inconsistent with the terms of this Agreement, the NYISO OATT, or applicable NYISO procedures, Interconnection Customer must comply with Connecting   
Transmission Owner’s operating instructions and requirements, which requirements shall include the dedicated data circuits, including system protection circuits, to be maintained by   
Interconnection Customer in accordance with Article 1.5 of this Agreement. Interconnection   
Customer must also comply with the applicable requirements as set out in the Connecting   
Transmission Owner’s ESBs, which have been identified and provided to the Interconnection   
Customer as amended from time to time to the extent not inconsistent with the terms of this   
Agreement or applicable NYISO tariffs and procedures. Upon the Connecting Transmission   
Owner’s notice to the Interconnection Customer of amendments to the ESBs, the Interconnection Customer has 30 days to comply with such amendments.

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Attachment 6 - Connecting Transmission Owner’s Description of its Upgrades   
 and Best Estimate of Upgrade Costs

The Connecting Transmission Owner shall describe Upgrades and provide an itemized   
best estimate of the cost, including overheads, of the Upgrades and annual operation and   
maintenance expenses associated with such Upgrades. The Connecting Transmission Owner   
shall functionalize Upgrade costs and annual expenses as either transmission or distribution   
related.

The cost estimate for System Upgrade Facilities and System Deliverability Upgrades shall   
be taken from the ISO OATT Attachment S cost allocation process or applicable Interconnection   
Study, as required by Section 32.3.5.3.2 of Attachment Z. The cost estimate for Distribution   
Upgrades shall include the costs of Distribution Upgrades that are reasonably allocable to the   
Interconnection Customer at the time the estimate is made, and the costs of any Distribution   
Upgrades not yet constructed that were assumed in the Interconnection Studies for the   
Interconnection Customer but are, at the time of the estimate, an obligation of an entity other than   
the Interconnection Customer.

The cost estimates for Distribution Upgrades, System Upgrade Facilities, and System

Deliverability Upgrades are estimates. The Interconnection Customer is ultimately responsible for the actual cost of the Distribution Upgrades, System Upgrade Facilities, and System   
Deliverability Upgrades needed for its Small Generating Facility, as that is determined under Attachments S, X, and Z of the ISO OATT.

A. DISTRIBUTION UPGRADES

None.

B. SYSTEM UPGRADE FACILITIES (“SUF”) - STAND ALONE SUFs

None.

C. SYSTEM UPGRADE FACILITIES - OTHER SUFs

None.

D. COST ESTIMATES RELATED TO DISTRIBUTION UPGRADES AND

SYSTEM UPGRADE FACILITIES

None.

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Attachment 7 - Insurance Coverage

Interconnection Customer shall, at its own expense, maintain in force throughout the period of this Agreement, the following minimum insurance coverage, with insurers   
authorized to do business in the State of New York.

Commercial General Liability Insurance including, but not limited to, bodily injury,   
property damage, products/completed operations, contractual and personal injury liability   
with a combined single limit of $2 million per occurrence, $5 million annual aggregate.

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Attachment 8

Initial Synchronization Date

[Date]

New York Independent System Operator, Inc. Attn: Vice President, Operations

10 Krey Boulevard

Rensselaer, NY 12144

Niagara Mohawk Power Corporation d/b/a National Grid   
Attention: Director, Transmission Commercial Services

40 Sylvan Road

Waltham, MA 02541-1120

Re: Tesla Solar Small Generating Facility

Dear :

On [Date] [Interconnection Customer] initially synchronized the Small   
Generating Facility [specify units, if applicable]. This letter confirms that   
[Interconnection Customer]’s Initial Synchronization Date was [specify].

Thank you.

[Signature]

[Interconnection Customer Representative]

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Attachment 9

Commercial Operation Date

[Date]

New York Independent System Operator, Inc. Attn: Vice President, Operations

10 Krey Boulevard

Rensselaer, NY 12144

Niagara Mohawk Power Corporation d/b/a National Grid   
Attention: Director, Transmission Commercial Services

40 Sylvan Road

Waltham, MA 02541-1120

Re: Tesla Solar Small Generating Facility

Dear \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:

On [Date] [Interconnection Customer] has completed Trial Operation of Unit No. \_\_\_. This letter confirms that [Interconnection Customer] commenced Commercial   
Operation of the Small Generating Facility [specify units, as applicable], effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]