**SERVICE AGREEMENT NO. 2870**

**SERVICE AGREEMENT NO. 2870**

**TRANSMISSION PROJECT**

**INTERCONNECTION AGREEMENT**

**AMONG THE**

**NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.,**

**AND**

**NIAGARA MOHAWK POWER CORPORATION**

**D/B/A NATIONAL GRID,**

**AND**

**NEW YORK POWER AUTHORITY**

**Dated as of January 16, 2025**

**(Northern New York Priority Transmission Project)**

**SERVICE AGREEMENT NO. 2870**

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**SERVICE AGREEMENT NO. 2870**

**TRANSMISSION PROJECT INTERCONNECTION AGREEMENT**

**THIS TRANSMISSION PROJECT INTERCONNECTION AGREEMENT** (“Agreement”)

is made and entered into this 16th day of January, 2025, by and among the New York

Independent System Operator, Inc., a not-for-profit corporation organized and existing under the

laws of the State of New York (“NYISO”), Niagara Mohawk Power Corporation d/b/a National

Grid, a corporation organized and existing under the laws of the State of New York (“National

Grid”), and New York Power Authority, a corporate municipal instrumentality organized and

existing under the laws of the State of New York (“NYPA”). The NYISO, National Grid, or

NYPA each may be referred to as a “Party” or collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, NYISO operates the New York State Transmission System and National Grid and

NYPA own certain facilities included in the New York State Transmission System;

**WHEREAS**, National Grid and NYPA have developed the Transmission Project, known as the

Northern New York Priority Transmission Project (“NNYPTP”) with NYISO Queue Position

No. 1125, that will interconnect to the New York State Transmission System, and

**WHEREAS**, National Grid and NYPA will each construct, own, and operate parts of the

Transmission Project as described in Appendix C to this Agreement;

**WHEREAS**, the Transmission Project was evaluated pursuant to the NYISO’s Transmission

Interconnection Procedures located in Attachment P of the ISO OATT;

**WHEREAS**, Transmission Interconnection Studies determined that certain Network Upgrade

Facilities on National Grid’s and NYPA’s systems and other upgrades on Affected Systems are

required for the Transmission Project to connect reliably to the New York Transmission System

in a manner that meets the NYISO Transmission Interconnection Standard;

**WHEREAS**, the Parties have agreed to enter into this Agreement for the purpose of

interconnecting the Transmission Project at certain Points of Interconnection between National

Grid’s system and NYPA’s system, as described in Appendix C;

**WHEREAS**, the Parties have also agreed to enter into this Agreement for purposes of allocating

the costs and responsibilities for the construction and costs of the Transmission Project and

Network Upgrade Facilities;

**NOW, THEREFORE,** in consideration of and subject to the mutual covenants contained herein,

it is agreed:

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**SERVICE AGREEMENT NO. 2870**

**ARTICLE 1. DEFINITIONS**

Whenever used in this Agreement with initial capitalization, the following terms shall have the

meanings specified in this Article [1. Te](#br7)rms used in this Agreement with initial capitalization that

are not defined in this Article [1](#br7) shall have the meanings specified in Section 1 of the ISO OATT,

Section 22.1 of Attachment P, Section 30.1 of Attachment X of the ISO OATT, Section 25.1.2 of

Attachment S of the ISO OATT, the body of the LFIP or the body of this Agreement.

**Affected System(s)** shall mean an electric system other than the transmission systems owned,

controlled or operated by National Grid and NYPA that may be affected by the proposed

interconnection. For purposes of this Agreement, the Affected Systems are detailed in Appendix

A.

**Affected Transmission Owner(s)** shall mean the New York public utility or authority (or its

designated agent) other than National Grid and NYPA that (i) owns facilities used for the

transmission of Energy in interstate commerce and provides Transmission Service under the

Tariff, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State

Transmission System where System Deliverability Upgrades, System Upgrade Facilities, or

Network Upgrade Facilities are or will be installed pursuant to Attachment P, Attachment X,

Attachment Z, or Attachment S to the ISO OATT. For purposes of this Agreement, the Affected

Transmission Owners are detailed in Appendix A.

**Affiliate** shall mean, with respect to a person or entity, any individual, corporation, partnership,

firm, joint venture, association, joint-stock company, trust or unincorporated organization,

directly or indirectly controlling, controlled by, or under common control with, such person or

entity. The term “control” shall mean the possession, directly or indirectly, of the power to

direct the management or policies of a person or an entity. A voting interest of ten percent or

more shall create a rebuttable presumption of control.

**Applicable Laws and Regulations** shall mean all duly promulgated applicable federal, state and

local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or

administrative orders, permits and other duly authorized actions of any Governmental Authority,

including but not limited to Environmental Law.

**Applicable Reliability Councils** shall mean the ERO, the NPCC and the NYSRC.

**Applicable Reliability Standards** shall mean the requirements and guidelines of the Applicable

Reliability Councils, and the Transmission District to which the Transmission Project is directly

interconnected, as those requirements and guidelines are amended and modified and in effect

from time to time; provided that no Party shall waive its right to challenge the applicability or

validity of any requirement or guideline as applied to it in the context of this Agreement.

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

this Agreement.

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

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

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

**Confidential Information** shall mean any information that is defined as confidential by

Article [22](#br33) of this Agreement.

**Default** shall mean the failure of a Party in Breach of this Agreement to cure such Breach in

accordance with Article [17](#br27) of this Agreement.

**Effective Date** shall mean the date on which this Agreement becomes effective upon execution

by the Parties, subject to acceptance by the Commission, or if filed unexecuted, upon the date

specified by the Commission.

**Electric Reliability Organization (“ERO”)** shall mean the North American Electric Reliability

Corporation or its successor organization.

**Emergency** shall mean any abnormal condition or situation which any Party, in its sole

discretion, deems imminently likely to endanger life or property, or adversely affect or impair the

New York State Transmission System, National Grid or NYPA’s electrical system, the

Transmission Project, or the electrical or transmission systems of others to which they are

directly or indirectly connected, which requires immediate automatic or manual action to correct.

Such an abnormal system condition or situation includes, without limitation, overloading or

potential overloading (exceeding thermal limits of pre- and post-contingency), excessive voltage

drop, exceeding voltage limits as defined by any Party, load shedding, voltage reduction,

operating reserve deficiencies, frequency deviations, over-generation or other non-normal

conditions. Economic hardship of a Party will not constitute an “Emergency.

**Emergency State** shall mean the condition or state that the New York State Power System is in

when an abnormal condition occurs that requires automatic or immediate manual action to

prevent or limit loss of the New York State Transmission System or Generators that could

adversely affect the reliability of the New York State Power System.

**Environmental Law** shall mean Applicable Laws and Regulations relating to pollution or

protection of the environment or natural resources.

**Facilities Study** shall mean the study conducted pursuant to Section 22.9 of Attachment P of the

ISO OATT to determine a list of facilities required to reliably interconnect the Transmission

Project (including Network Upgrade Facilities) as identified in the System Impact Study, the cost

of those facilities, and the time required to interconnect the Transmission Project with the New

York State Transmission System.

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

(“FPA”).

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

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**Force Majeure** shall mean any act of God, labor disturbance, act of the public enemy, war,

insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or

equipment, any order, regulation or restriction imposed by governmental, military or lawfully

established civilian authorities, or any other cause beyond a Party’s control. A Force Majeure

event does not include acts of negligence or intentional wrongdoing by the Party claiming Force

Majeure.

**Good Utility Practice** shall mean any of the practices, methods and acts engaged in or approved

by a significant portion of the electric industry during the relevant time period, or any of the

practices, methods and acts which, in the exercise of reasonable judgment in light of the facts

known at the time the decision was made, could have been expected to accomplish the desired

result at a reasonable cost consistent with good business practices, reliability, safety and

expedition. Good Utility Practice is not intended to be limited to the optimum practice, method,

or act to the exclusion of all others, but rather to delineate acceptable practices, methods, or acts

generally accepted in the region.

**Governmental Authority** shall mean any federal, state, local or other governmental regulatory

or administrative agency, court, commission, department, board, or other governmental

subdivision, legislature, rulemaking board, tribunal, or other governmental authority having

jurisdiction over any of the Parties, their respective facilities, or the respective services they

provide, and exercising or entitled to exercise any administrative, executive, police, or taxing

authority or power; provided, however, that such term does not include NYISO, National Grid,

NYPA, Affected System Operator, Affected Transmission Owner, or any Affiliate thereof.

**Hazardous Substances** shall mean any chemicals, materials or substances defined as or

included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,”

“hazardous constituents,” “restricted hazardous materials,” “extremely hazardous substances,”

“toxic substances,” “radioactive substances,” “contaminants,” “pollutants,” “toxic pollutants” or

words of similar meaning and regulatory effect under any applicable Environmental Law, or any

other chemical, material or substance, exposure to which is prohibited, limited or regulated by

any applicable Environmental Law.

**Initial Synchronization Date(s)** shall mean the date(s) upon which the Transmission Project and

Network Upgrade Facilities, as applicable, are initially synchronized with the New York State

Transmission System and upon which Trial Operation begins, notice of which must be provided,

as applicable, by National Grid and NYPA in the form of Appendix E-1 to this Agreement.

**In-Service Date(s)** shall mean the date(s) upon which the Transmission Project and Network

Upgrade Facilities, as applicable, are energized consistent with the provisions of this Agreement

and available to provide Transmission Service under the NYISO’s Tariffs, notice of which shall

be provided, as applicable, by National Grid and NYPA in the form of Appendix E-2 to this

Agreement.

**IRS** shall mean the Internal Revenue Service.

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**SERVICE AGREEMENT NO. 2870**

**Metering Equipment** shall mean all metering equipment installed or to be installed at the

Transmission Project pursuant to this Agreement, including but not limited to instrument

transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit,

communications equipment, phone lines, and fiber optics.

**Metering Points** shall mean the location(s) identified by the NYISO for any Metering

Equipment associated with the Transmission Project that are required for the Transmission

Project to provide zonal or subzonal metering data.

**Network Upgrade Facilities** shall mean the least costly configuration of commercially available

components of electrical equipment that can be used, consistent with Good Utility Practice and

Applicable Reliability Requirements, to make the modifications or additions to the New York

State Transmission System that are required for the proposed Transmission Project to connect

reliably to the system in a manner that meets the NYISO Transmission Interconnection Standard.

For purposes of this Agreement, the Network Upgrade Facilities are described in Appendix A of

this Agreement.

**New York State Transmission System** shall mean the entire New York State electric

transmission system, which includes (i) the Transmission Facilities Under ISO Operational

Control; (ii) the Transmission Facilities Requiring ISO Notification; and (iii) all remaining

transmission facilities within the New York Control Area.

**Notice of Dispute** shall mean a written notice of a dispute or claim that arises out of or in

connection with this Agreement or its performance.

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

**NYISO Transmission Interconnection Standard** shall mean the reliability standard that must

be met by any Transmission Project proposing to connect to the New York State Transmission

System. The standard is designed to ensure reliable access by the proposed project to the New

York State Transmission System.

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

**Operating Agreement** shall mean the Agreement Between the New York Independent System

Operator and Transmission Owners, as filed with and accepted by the Commission in Cent.

Hudson Gas & Elec. Corp., et al., 88 FERC ¶ 61,138 (1999) in Docket Nos. ER97-1523, et al.,

and as amended or supplemented from time to time, or any successor agreement thereto.

**Party or Parties** shall mean NYISO, National Grid, and NYPA, or any combination of the

above.

**Point(s) of Change of Ownership** shall mean the point(s), as set forth in Appendix C to his

Agreement where, as applicable, the National Grid or NYPA portion of the Transmission Project

connects to the other Party’s system.

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**Point(s) of Interconnection** shall mean the point(s), as set forth in Appendix C to this

Agreement where the Transmission Project connects to the New York State Transmission

System.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a

Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and

are otherwise substantially equivalent to those a Party would use to protect its own interests.

**Services Tariff** shall mean the NYISO Market Administration and Control Area Tariff, as filed

with the Commission, and as amended or supplemented from time to time, or any successor tariff

thereto.

**System Impact Study** shall mean the study conducted pursuant to Section 22.8 of Attachment P

of the NYISO OATT that evaluates the impact of the proposed Transmission Project on the

safety and reliability of the New York State Transmission System and, if applicable, and

Affected System, to determine what Network Upgrade Facilities are needed for the proposed

Transmission Project to connect reliably to the New York State Transmission System in a

manner that meets the NYISO Transmission Interconnection Standard.

**System Protection Facilities** shall mean the equipment, including necessary protection signal

communications equipment, required to (1) protect the New York State Transmission System

from faults or other electrical disturbances occurring at the Transmission Project and (2) protect

the Transmission Project from faults or other electrical system disturbances occurring on the

New York State Transmission System or on other delivery systems or other generating systems

to which the New York State Transmission System is directly connected.

**Tariff** shall mean the NYISO Open Access Transmission Tariff (“OATT”), as filed with the

Commission, and as amended or supplemented from time to time, or any successor tariff.

**Transmission Developer** shall mean an entity that proposes to interconnect its Transmission

Project to the New York State Transmission System in compliance with the NYISO

Transmission Interconnection Standard. For purposes of this Agreement, the Transmission

Developer is National Grid and NYPA.

**Transmission Interconnection Application** shall mean the Transmission Developer’s request,

in the form of Appendix 1 to the Transmission Interconnection Procedures, to interconnect a

Transmission Project to the New York State Transmission System.

**Transmission Interconnection Procedures (“TIP”)** shall mean the interconnection procedures

applicable to a Transmission Interconnection Application pertaining to a Transmission Project

that are included in Attachment P of the ISO OATT.

**Transmission Interconnection Study** shall mean any of the following studies: the Optional

Feasibility Study, the System Impact Study, and the Facilities Study described in the

Transmission Interconnection Procedures.

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**Transmission Project** shall mean National Grid and NYPA’s proposed transmission facility or

facilities that collectively satisfy the definition of Transmission Project in Section 22.3.1 of

Attachment P of the ISO OATT. For purposes of this Agreement, the Transmission Project is

described in Appendix C of this Agreement.

**Transmission Project Interconnection Agreement** shall mean this interconnection agreement

applicable to the interconnection of the Transmission Project to the New York State

Transmission System.

**Trial Operation** shall mean the period during which National Grid and NYPA, as appliable, are

engaged in on-site test operations and commissioning for their portions of the Transmission

Project and Network Upgrade Facilities prior to the In-Service Date.

**ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION**

**2.1**

**Effective Date.**

This Agreement shall become effective upon execution by the Parties, subject to

acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO,

National Grid, and NYPA shall promptly file this Agreement with FERC upon execution in

accordance [with Article 3.](#br13)

**2.2**

**Term of Agreement.**

Subject to the provisions of Article [2.3, thi](#br12)s Agreement shall remain in effect for a period

of ten (10) years from the Effective Date and shall be automatically renewed for each successive

one-year period thereafter.

**2.3**

**Termination.**

**2.3.1 Written Notice.**

This Agreement may be terminated by: (i) NYPA and National Grid after jointly giving

the NYISO ninety (90) Calendar Days advance written notice (ii) by the NYISO at any time

following notice from NYPA and National Grid indicating their intent not to proceed with the

Transmission Project and Network Upgrade Facilities, or (iii) by the mutual agreement in writing

of all Parties.

**2.3.2**

Any Party may terminate this Agreement in accordance with Article [17.](#br27)

**2.3.3 Compliance.**

**Default.**

Notwithstanding Artic[les 2.3.1](#br12) a[nd 2.3.2, no ter](#br12)mination of this Agreement shall become

effective until the Parties have complied with all Applicable Laws and Regulations applicable to

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such termination, including the filing with FERC of a notice of termination of this Agreement,

which notice has been accepted for filing by FERC.

**2.4**

**Termination Costs.**

**2.4.1** With respect to any portion of the Transmission Project or Network Upgrade

Facilities already installed or constructed pursuant to the terms of this Agreement, National Grid

and NYPA shall each be responsible for all costs associated with the removal, relocation or other

disposition or retirement of their respective materials, equipment, or facilities.

**2.5**

**Disconnection.**

Upon termination of this Agreement, National Grid and NYPA will take all appropriate

steps to disconnect their portion of the Transmission Project from the New York State

Transmission System and to perform such work as may be necessary to ensure that the New

York State Transmission System shall be left in a safe and reliable condition in accordance with

Good Utility Practice and the safety and reliability criteria of their own system and NYISO. All

costs required to effectuate such disconnection shall be borne by National Grid and NYPA.

**2.6**

**Survival.**

This Agreement shall continue in effect after termination to the extent necessary to

provide for final billings and payments and for costs incurred hereunder; including billings and

payments pursuant to this Agreement; to permit the determination and enforcement of liability

and indemnification obligations arising from acts or events that occurred while this Agreement

was in effect; and to permit National Grid and NYPA each to have access to the lands of the

other pursuant to this Agreement or other applicable agreements, to disconnect, remove or

salvage its own facilities and equipment.

**ARTICLE 3. REGULATORY FILINGS**

NYISO, National Grid, and NYPA shall file this Agreement (and any amendment hereto)

with the appropriate Governmental Authority, if required. Any information related to studies for

interconnection asserted by National Grid or NYPA to contain Confidential Information shall be

treated in accordance [with Article 22](#br33) of this Agreement and Attachment F to the ISO OATT.

National Grid and NYPA shall reasonably cooperate with NYISO with respect to such filing and

to provide any information reasonably requested by NYISO needed to comply with Applicable

Laws and Regulations.

**ARTICLE 4. SCOPE OF SERVICE**

**4.1**

**Interconnection of Transmission Facilities.**

For purposes of the Transmission Project, National Grid’s and NYPA’s transmission

systems shall interconnect at the Points of Interconnection set forth in Appendix C of this

Agreement in accordance with the terms and conditions of this Agreement.

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**4.2**

**No Transmission Delivery Service.**

The execution of this Agreement does not constitute a request for, nor agreement to

provide, any Transmission Service under the ISO OATT, and does not convey any right to

deliver electricity to any specific customer or Point of Delivery.

**4.3**

**No Other Services.**

The execution of this Agreement does not constitute a request for, nor agreement to

provide Energy, any Ancillary Services or Installed Capacity under the NYISO Market

Administration and Control Area Services Tariff (“Services Tariff”).

**ARTICLE 5. TRANSMISSION PROJECT AND NETWORK UPGRADE FACILITIES**

**ENGINEERING, PROCUREMENT, AND CONSTRUCTION**

**5.1**

**Transmission Project and Network Upgrade Facilities.**

National Grid and NYPA shall mutually agree to the Initial Synchronization Date and In-

Service Date for the Transmission Project and Network Upgrade Facilities, and such dates shall

be set forth in Appendix B hereto.

National Grid and NYPA shall each design, procure, construct, install, and own its

portion of the Transmission Project as set forth in Appendix C to this Agreement and its portion

of the Network Upgrade Facilities as set forth in Appendix A to this Agreement. National Grid

and NYPA shall engineer, procure equipment, and/or construct their portions of the

Transmission Project and Network Upgrade Facilities using Good Utility Practice and their own

standards and specifications. National Grid and NYPA shall each use Reasonable Efforts to

complete the portion of the Transmission Project and Network Upgrade Facilities for which it

has construction responsibility by the dates set forth in Appendix B hereto. Neither National

Grid nor NYPA shall be required to undertake any action which is inconsistent with its standard

safety practices, its material and equipment specifications, its design criteria and construction

procedures, its labor agreements, and Applicable Laws and Regulations. In the event that

National Grid or NYPA reasonably expects that it will not be able to complete the portion of the

Transmission Project and Network Upgrade Facilities for which it has construction responsibility

by the specified dates, National Grid or NYPA shall promptly provide written notice to the

Parties and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

**5.2**

**5.3**

**5.4**

**Reserved.**

**Reserved.**

**Work Progress.**

National Grid and NYPA will keep each other and the NYISO advised periodically as to

the progress of their respective design, procurement and construction efforts of the Transmission

Project and the Network Upgrade Facilities. Any Party may, at any time, request a progress

report from any Party.

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**5.5**

**Information Exchange.**

As soon as reasonably practicable after the Effective Date, National Grid and NYPA shall

exchange information, and provide NYISO the same information, regarding the design and

compatibility of the Transmission Project and Network Upgrade Facilities and the compatibility

of the Transmission Project and Network Upgrade Facilities with the New York State

Transmission System, and shall work diligently and in good faith to make any necessary design

changes.

**5.6**

**Access Rights.**

Upon reasonable notice and supervision by the Granting Party, and subject to any

required or necessary regulatory approvals, National Grid or NYPA (“Granting Party”) shall

furnish to the other of those two Parties (“Access Party”) at no cost any rights of use, licenses,

rights of way and easements with respect to lands owned or controlled by the Granting Party, its

agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to

enable the Access Party to obtain ingress and egress required to test (or witness testing) or to

inspect the Transmission Project and Network Upgrade Facilities in accordance with this

Agreement. In exercising such licenses, rights of way and easements, the Access Party shall not

unreasonably disrupt or interfere with normal operation of the Granting Party’s business and

shall adhere to the safety rules and procedures established in advance, as may be changed from

time to time, by the Granting Party and provided to the Access Party. The Access Party shall

indemnify the Granting Party against all claims of injury or damage from third parties resulting

from the exercise of the access rights provided for herein.

**5.7**

**Permits.**

NYISO, National Grid, and NYPA shall cooperate with each other in good faith in

obtaining all permits, licenses and authorizations that are necessary to accomplish the

interconnection in compliance with Applicable Laws and Regulations.

**5.8**

**Tax Status; Non-Jurisdictional Entities.**

**5.8.1**

**Tax Status.**

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

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

the status of NYISO, National Grid, or NYPA with respect to the issuance of bonds including,

but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this

Agreement, NYPA 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 NYPA , the interest on which is not included in gross income

under the Internal Revenue Code.

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**5.8.2**

**Non-Jurisdictional Entities.**

NYPA does not waive its exemptions, pursuant to Section 201(f) of the FPA, from

Commission jurisdiction with respect to the Commission’s exercise of the FPA’s general

ratemaking authority.

**5.9**

**Modification.**

**5.9.1 General.**

If, prior to the In-Service Date of the Transmission Project or Network Upgrade

Facilities, National Grid, NYPA, or both Parties propose to modify the Transmission Project or

Network Upgrade Facilities, the requesting Party(ies) must inform the other Parties of the

proposed modification and must satisfy the requirements for such modifications in (i) Section

22.5.4 of Attachment P to the ISO OATT. The Party(ies) requesting the modification shall be

responsible for the costs of any such additional modifications, including the costs of studying the

materiality and impact of the modification.

Following the In-Service Date of the Transmission Project or Network Upgrade

Facilities, either National Grid or NYPA may undertake modifications to its facilities covered by

this Agreement. If either National Grid or NYPA plans to undertake a modification that

reasonably may be expected to affect the other Party’s facilities, that Party shall provide to the

other Party, and to NYISO, sufficient information regarding such modification so that the other

Party and NYISO may evaluate the potential impact of such modification prior to

commencement of the work. Such information shall be deemed to be Confidential Information

hereunder and shall include information concerning the timing of such modifications and

whether such modifications are expected to interrupt the transmission of electricity at the

Point(s) of Interconnection. The Party desiring to perform such work shall provide the relevant

drawings, plans, and specifications to the other Party and NYISO at least ninety (90) Calendar

Days in advance of the commencement of construction regarding such work or such shorter

period upon which the Parties may agree, which agreement shall not unreasonably be withheld,

conditioned or delayed.

**5.9.2**

**Standards.**

Any additions, modifications, or replacements made to a Party’s facilities shall be

designed, constructed and operated in accordance with this Agreement, NYISO requirements and

Good Utility Practice.

**5.9.3**

**Modification Costs.**

National Grid or NYPA, as applicable, shall not be assigned the costs of any additions,

modifications, or replacements that the other Party makes to the New York State Transmission

System to facilitate the interconnection of a third party to the New York State Transmission

System, or to provide Transmission Service to a third party under the ISO OATT, except in

accordance with the cost allocation procedures in Attachment S of the ISO OATT.

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**ARTICLE 6. TESTING AND INSPECTION**

**6.1**

**Pre-in-Service Date Testing and Modifications.**

Prior to the In-Service Date of the Transmission Project or Network Upgrade Facilities,

National Grid and NYPA, as applicable, shall test the portion of the Transmission Project and

Network Upgrade Facilities for which it is responsible as specified in Appendices A and C to this

Agreement to ensure their safe and reliable operation Similar testing may be required after

initial operation. National Grid and NYPA shall each make any modifications to its facilities

that are found to be necessary as a result of such testing. National Grid and NYPA shall bear the

cost of all such testing and modifications for the Transmission Project and Network Upgrade

Facilities for which it is responsible as specified in Appendix A and Appendix C. National Grid

and NYPA shall coordinate with NYISO prior to performing the testing of the Transmission

Project and Network Upgrade Facilities and prior to the facilities entering into service.

**6.2**

**Post-In-Service Date Testing and Modifications.**

National Grid and NYPA shall each at its own expense perform routine inspection and

testing of its facilities and equipment in accordance with Good Utility Practice and Applicable

Reliability Standards as may be necessary to ensure the continued interconnection of the

Transmission Project with the New York State Transmission System in a safe and reliable

manner. National Grid and NYPA shall each have the right, upon advance written notice, to

require reasonable additional testing of the other Party’s facilities, at the requesting Party’s

expense, as may be in accordance with Good Utility Practice.

**6.3**

**Right to Observe Testing.**

National Grid and NYPA shall each notify the other Party, and the NYISO, in advance of

its performance of tests of the Transmission Project and Network Upgrade Facilities. The other

Party, and the NYISO, shall each have the right, at its own expense, to observe such testing.

**6.4**

**Right to Inspect.**

National Grid and NYPA shall each have the right, but shall have no obligation to: (i)

observe the other Party’s tests and/or inspection of any of its System Protection Facilities and

other protective equipment; (ii) review the settings of the other Party’s System Protection

Facilities and other protective equipment; and (iii) review the other Party’s maintenance records

relative to the System Protection Facilities and other protective equipment. NYISO shall have

these same rights of inspection as to the facilities and equipment of National Grid and NYPA. A

Party may exercise these rights from time to time as it deems necessary upon reasonable notice

to the other Party. The exercise or non-exercise by a Party of any such rights shall not be

construed as an endorsement or confirmation of any element or condition of the System

Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to

the fitness, safety, desirability, or reliability of same. Any information that a Party obtains

through the exercise of any of its rights under this Article [6.4](#br17) shall be treated in accordance of

this Agreement and Attachment F to the ISO OATT.

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**ARTICLE 7. METERING**

**7.1**

**General.**

National Grid and NYPA, as applicable, shall be responsible for the metering at any

Metering Points identified by the NYISO in connection with the interconnection of the

Transmission Project with its own system in accordance with the requirements in thi[s Article 7.](#br18)

National Grid and NYPA shall, as such responsibilities are specified in Appendix A of this

Agreement, procure and install any required Metering Equipment prior to any operation of the

Transmission Project. National Grid and NYPA shall own, operate, test, maintain, and, if

directed by the NYISO, relocate such Metering Equipment in accordance with ISO Procedures,

as such requirements are amended from time to time. National Grid and NYPA shall provide the

NYISO with metering data in accordance with the metering requirements set forth in this

Agreement, the NYISO Tariffs, and ISO Procedures, as such requirements are amended from

time to time. National Grid and NYPA shall bear all reasonable documented costs associated

with the purchase and installation of its own Metering Equipment.

**7.2**

**Standards.**

National Grid and NYPA shall install, calibrate, and test revenue quality Metering

Equipment including potential transformers and current transformers in accordance with

applicable ANSI and PSC standards as detailed in the NYISO Control Center Communications

Manual and in the NYISO Revenue Metering Requirements Manual.

**7.3**

**Testing of Metering Equipment.**

National Grid and NYPA shall inspect and test all of its Metering Equipment upon

installation and at least once every two (2) years thereafter. If requested to do so by NYISO,

National Grid and NYPA shall, at its own expense, inspect or test Metering Equipment more

frequently than every two (2) years. National Grid and NYPA shall give reasonable notice of the

time when any inspection or test shall take place, and NYISO may have representatives present

at the test or inspection. If at any time Metering Equipment is found to be inaccurate or

defective, it shall be adjusted, repaired or replaced at National Grid’s or NYPA’s expense in

order to provide accurate metering. The Parties shall address the loss of meter data or meter data

anomalies in accordance with ISO Procedures. The NYISO shall reserve the right to review all

associated metering equipment installation on National Grid’s or NYPA’s property at any time.

**7.4**

**Metering Data.**

National Grid and NYPA shall be responsible for the costs of its own metered data to be

telemetered to one or more locations designated by NYISO. Such telemetered data shall be used,

under normal operating conditions, as the official measurement of the amount of energy at the

Metering Points.

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**ARTICLE 8. COMMUNICATIONS**

**8.1**

**General Obligations.**

National Grid and NYPA shall maintain satisfactory operating communications,

including providing analog and digital real-time telemetry, with each other and NYISO in

accordance with the requirements in this Agreement, the Operating Agreement (including

Section 2.05, *Local Control Center, Metering and Telemetry*), NYISO Tariffs, and ISO

Procedures, as such requirements are amended from time to time. National Grid and NYPA

shall provide standard voice line, dedicated voice line and facsimile communications at its

control center for the Transmission Project through use of either the public telephone system, or

a voice communications system that does not rely on the public telephone system. National Grid

and NYPA shall also provide the dedicated data circuit(s) necessary to provide their data to

NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the

Transmission Project to the location(s) specified by NYISO. Any required maintenance of such

communications equipment shall be performed by National Grid and NYPA at their own

expense. Operational communications shall be activated and maintained under, but not be

limited to, the following events: system paralleling or separation, scheduled and unscheduled

shutdowns, equipment clearances, and hourly and daily load data.

**8.2**

**Remote Terminal Unit.**

Prior to the Initial Synchronization Date of the Transmission Project, a Remote Terminal

Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be

installed by National Grid and NYPA at their own facilities and at their own expense, to gather

accumulated and instantaneous data to be telemetered to the location(s) designated by NYISO

through use of a dedicated point-to-point data circuit(s) as indicated in this Artic[le 8.1](#br19) The

communication protocol for the data circuit(s) shall be specified by the Parties. Instantaneous bi-

directional analog real power and reactive power flow information must be telemetered directly

to the location(s) specified by the Parties.

Each Party will promptly advise the appropriate other Party if it detects or otherwise

learns of any metering, telemetry or communications equipment errors or malfunctions that

require the attention and/or correction by that other Party. The Party owning such equipment

shall correct such error or malfunction as soon as reasonably feasible.

**8.3**

**No Annexation.**

Any and all equipment placed on the premises of a Party shall be and remain the property

of the Party providing such equipment regardless of the mode and manner of annexation or

attachment to real property, unless otherwise mutually agreed by the Party providing such

equipment and the Party receiving such equipment.

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**ARTICLE 9. OPERATIONS**

**9.1**

**General Obligations of the Parties.**

Each Party shall comply with Applicable Laws and Regulations and Applicable

Reliability Standards. Each Party shall provide to the other Parties all information that may

reasonably be required by the other Parties to comply with Applicable Laws and Regulations and

Applicable Reliability Standards. National Grid and NYPA shall provide the NYISO with

notifications of all of its power system equipment additions or modifications in accordance with

ISO Procedures, including the NYISO’s Reliability Analysis Data Manual (Manual 24).

The Parties shall cause the New York State Transmission System to be operated,

maintained and controlled in a safe and reliable manner in accordance with this Agreement and

the NYISO Tariffs. NYISO may provide operating instructions to National Grid and NYPA

consistent with this agreement and the NYISO procedures. NYISO will consider changes to its

operating protocols and procedures proposed by NYPA and National Grid.

National Grid and NYPA shall, at their own expense, operate, maintain and control their

portions of the Transmission Project in a safe and reliable manner and in accordance with this

Agreement, the NYISO Tariffs and the ISO Procedures. National Grid and NYPA shall operate

their portions of the Transmission Project in accordance with NYISO, National Grid, and NYPA

requirements, as such requirements are set forth or referenced in Appendix C hereto. Appendix

C will be modified to reflect changes to the requirements as they may change from time to time.

Any Party may request that the appropriate other Party or Parties provide copies of the

requirements set forth or referenced in Appendix C hereto.

**9.2**

**Outages and Interruptions.**

**9.2.1 Outages.**

**9.2.1.1 Outage Authority and Coordination**.

National Grid and NYPA may each, in accordance with NYISO procedures and Good

Utility Practice and in coordination with the other Party, remove from service any of its

Transmission Project facilities or Network Upgrade Facilities that may impact the other Party’s

facilities as necessary to perform maintenance or testing or to install or replace equipment.

Absent an Emergency or Emergency State, the Party scheduling a removal of such facility(ies)

from service will use Reasonable Efforts to schedule such removal on a date and time mutually

acceptable to both National Grid and NYPA. In all circumstances either Party planning to

remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the

other Party of such removal.

**9.2.1.2 Outage Schedules**.

National Grid or NYPA, as applicable, and pursuant to ISO Procedures, shall post

scheduled outages of its respective transmission facilities on the NYISO OASIS.

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**9.2.1.3 Outage Restoration**.

If an outage on the Transmission Project or Network Upgrade Facilities adversely affects

the other Party’s operations or facilities, the Party that owns the facility that is out of service

shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating

condition consistent with the nature of the outage. The Party that owns the facility that is out of

service shall provide the other Party and NYISO, to the extent such information is known,

information on the nature of the Emergency or Emergency State, an estimated time of

restoration, and any corrective actions required. Initial verbal notice shall be followed up as

soon as practicable with written notice explaining the nature of the outage.

**9.2.2 Interruption of Service**. If required by Good Utility Practice or Applicable

Reliability Standards to do so, any Party may require another Party to interrupt the transmission

of electricity if such transmission of electricity could adversely affect the ability of a Party to

perform such activities as are necessary to safely and reliably operate and maintain the New

York State Transmission System. The following provisions shall apply to any interruption

permitted under this Artic[le 9.2.2:](#br21)

**9.2.2.1** The interruption or reduction shall continue only for so long as

reasonably necessary under Good Utility Practice;

**9.2.2.2** Reserve.

**9.2.2.3** When the interruption or reduction must be made under circumstances

which do not allow for advance notice, a Party shall notify the other Party by telephone as soon

as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its

expected duration. Telephone notification shall be followed by written notification as soon as

practicable;

**9.2.2.4** Except during the existence of an Emergency or Emergency State, when

the interruption or reduction can be scheduled without advance notice, a Party shall notify the

other Party in advance regarding the timing of such scheduling and further notify the Party of the

expected duration. The Parties shall coordinate with each other using Good Utility Practice to

schedule the interruption or reduction during periods of least impact to the Parties and the New

York State Transmission System;

**9.2.2.5** The Parties shall cooperate and coordinate with each other to the extent

necessary in order to restore the Transmission Project, Network Upgrade Facilities, and the New

York State Transmission System to their normal operating state, consistent with system

conditions and Good Utility Practice.

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**9.2.3**

**System Protection and Other Control Requirements.**

**9.2.3.1 System Protection Facilities**. National Grid and NYPA shall each, at

its expense, install, operate and maintain System Protection Facilities as a part of the

Transmission Project. National Grid and NYPA shall each, at its own expense, install any

System Protection Facilities that may be required on the New York State Transmission System

as a result of the interconnection of the Transmission Project.

**9.2.3.2** The protection facilities of both National Grid and NYPA shall be

designed and coordinated with other systems in accordance with Good Utility Practice and

Applicable Reliability Standards.

**9.2.3.3** National Grid and NYPA shall each be responsible for protection of its

respective facilities consistent with Good Utility Practice and Applicable Reliability Standards.

**9.2.3.4** The protective relay design of National Grid and NYPA shall each

incorporate the necessary test switches to perform the tests required in [Article 6](#br17) of this

Agreement. The required test switches will be placed such that they allow operation of lockout

relays while preventing breaker failure schemes from operating and causing unnecessary breaker

operations and/or the tripping of the Transmission Project.

**9.2.3.5** National Grid and NYPA will each test, operate and maintain System

Protection Facilities in accordance with Good Utility Practice, ERO and NPCC criteria.

**9.2.3.6** Prior to the In-Service Dates of the Network Upgrade Facilities and

Transmission Project, National Grid and NYPA shall each perform, or its agents shall perform, a

complete calibration test and functional trip test of the System Protection Facilities. At intervals

suggested by Good Utility Practice and following any apparent malfunction of the System

Protection Facilities, National Grid and NYPA shall each perform both calibration and functional

trip tests of its System Protection Facilities. These tests do not require the tripping of any in-

service generation unit. These tests do, however, require that all protective relays and lockout

contacts be activated.

**9.2.4**

**Requirements for Protection.**

In compliance with NPCC requirements and Good Utility Practice, NYPA and National

Grid shall each provide, install, own, and maintain relays, circuit breakers and all other devices

necessary to remove any fault contribution of the Transmission Project to any short circuit

occurring on the New York State Transmission System not otherwise isolated by the other

Party’s equipment, such that the removal of the fault contribution shall be coordinated with the

protective requirements of the New York State Transmission System. Such protective

equipment shall include, without limitation, a disconnecting device or switch with load-

interrupting capability located between the Transmission Project and the New York State

Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld,

conditioned or delayed) of National Grid and NYPA. National Grid and NYPA shall each be

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responsible for protection of is portion of the Transmission Project and its other equipment from

such conditions as negative sequence currents, over- or under-frequency, sudden load rejection,

over- or under-voltage, and generator loss-of-field. NYPA and National Grid shall each be

solely responsible to disconnect its portion of the Transmission Project and its other equipment if

conditions on the New York State Transmission System could adversely affect its portion of the

Transmission Project.

**9.2.5**

**Power Quality.**

Neither the facilities of National Grid nor NYPA shall cause excessive voltage flicker nor

introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI

Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding

electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any

applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable

superseding electric industry standard, shall control.

**9.3**

**Switching and Tagging Rules.**

National Grid and NYPA shall each provide the other Party a copy of its switching and

tagging rules that are applicable to the other Party’s activities. Such switching and tagging rules

shall be developed on a nondiscriminatory basis. The Parties shall comply with applicable

switching and tagging rules, as amended from time to time, in obtaining clearances for work or

for switching operations on equipment.

**9.4**

**Disturbance Analysis Data Exchange.**

National Grid and NYPA will cooperate with one another and the NYISO in the analysis

of disturbances to either the Transmission Project or the New York State Transmission System

by gathering and providing access to any information relating to any disturbance, including

information from disturbance recording equipment, protective relay targets, breaker operations

and sequence of events records, and any disturbance information required by Good Utility

Practice.

**ARTICLE 10. MAINTENANCE**

**10.1**

**General Obligations.**

National Grid and NYPA shall maintain their portion of Transmission Project and their

transmission facilities, including their portion of the Network Upgrade Facilities, in a safe and

reliable manner and in accordance with this Agreement.

**10.2**

**Coordination.**

National Grid and NYPA shall confer regularly to coordinate the planning, scheduling

and performance of preventive and corrective maintenance on the Transmission Project and

Network Upgrade Facilities. National Grid and NYPA shall keep NYISO fully informed of the

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preventive and corrective maintenance that is planned, and shall schedule all such maintenance

in accordance with NYISO procedures.

**10.3**

**Secondary Systems.**

National Grid and NYPA shall each cooperate with the other in the inspection,

maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC,

including, but not limited to, any hardware, control or protective devices, cables, conductors,

electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and

current transformers that directly affect the operation of their facilities and equipment which may

reasonably be expected to impact the other Party. National Grid and NYPA shall each provide

advance notice to the other Party, and to NYISO, before undertaking any work on such circuits,

especially on electrical circuits involving circuit breaker trip and close contacts, current

transformers, or potential transformers.

**10.4**

**Operating and Maintenance Expenses.**

Subject to the provisions herein addressing the use of facilities by others, and except for

operations and maintenance expenses associated with modifications made for providing

interconnection or transmission service to a third party and such third party pays for such

expenses, National Grid and NYPA shall each be responsible for all reasonable expenses

including overheads, associated with owning, operating, maintaining, repairing, and replacing

their portion of the Transmission Project as specified in Appendix C. National Grid and NYPA

shall also be responsible for all reasonable expenses including overheads, associated with

owning, operating, maintaining, repairing, and replacing their portion of the Network Upgrade

Facilities as specified in Appendix A.

**ARTICLE 11. PERFORMANCE OBLIGATION**

**11.1**

**Transmission Project.**

National Grid and NYPA shall each, at its own expense, design, procure, construct,

install, own and/or control its portion of the Transmission Project as specified in Appendix C

hereto.

**11.2**

**Network Upgrade Facilities.**

National Grid and NYPA shall each, at its own expense, design, procure, construct,

install, own and/or control its portion of the Network Upgrade Facilities as specified in Appendix

A hereto.

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**11.3**

**11.4**

**Reserved.**

**Reserved.**

**ARTICLE 12. INVOICE**

**12.1 Reserved.**

**ARTICLE 13. EMERGENCIES**

**13.1**

**Obligations.**

Each Party shall comply with the Emergency State procedures of NYISO, the Applicable

Reliability Councils, Applicable Laws and Regulations, and any emergency procedures agreed to

by the NYISO Operating Committee.

**13.2**

**Notice.**

Each Party shall notify the other Parties promptly when it becomes aware of an

Emergency or Emergency State that affects, or may reasonably be expected to affect, the

Transmission Project or the New York State Transmission System. To the extent information is

known, the notification shall describe the Emergency or Emergency State, the extent of the

damage or deficiency, the expected effect on the operation of NYPA’s or National Grid’s

facilities and operations, its anticipated duration and the corrective action taken and/or to be

taken. The initial notice shall be followed as soon as practicable with written notice.

**13.3**

**Immediate Action.**

Unless, in Transmission Developer’s reasonable judgment, immediate action is required,

NYPA or National Grid, as applicable, shall obtain the consent of the other Party, such consent

to not be unreasonably withheld, prior to performing any manual switching operations at their

portion of the Transmission Project in response to an Emergency or Emergency State either

declared by NYISO, NYPA, or National Grid, or otherwise regarding New York State

Transmission System.

**13.4**

**NYISO, National Grid, and NYPA Authority.**

Consistent with ISO Procedures, Good Utility Practice, and this Agreement, any Party

may take whatever actions with regard to the New York State Transmission System it deems

necessary during an Emergency or Emergency State in order to (i) preserve public health and

safety, (ii) preserve the reliability of the New York State Transmission System, (iii) limit or

prevent damage, and (iv) expedite restoration of service. National Grid and NYPA shall use

Reasonable Efforts to assist the other in such actions.

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**13.5**

**Limited Liability.**

No Party shall be liable to another Party for any action it takes in responding to an

Emergency or Emergency State so long as such action is made in good faith and is consistent

with Good Utility Practice and the NYISO Tariffs.

**ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW**

**14.1**

**Regulatory Requirements.**

Each Party’s obligations under this Agreement shall be subject to its receipt of any

required approval or certificate from one or more Governmental Authorities in the form and

substance satisfactory to the applying Party, or the Party making any required filings with, or

providing notice to, such Governmental Authorities, and the expiration of any time period

associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain

such other approvals. Nothing in this Agreement shall require Developer to take any action that

could result in its inability to obtain, or its loss of, status or exemption under the Federal Power

Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies

Act of 1978, as amended.

**14.2**

**Governing Law.**

**14.2.1** The validity, interpretation and performance of this Agreement and each of its

provisions shall be governed by the laws of the state of New York, without regard to its conflicts

of law principles.

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

**14.2.3** Each Party expressly reserves the right to seek changes in, appeal, or otherwise

contest any laws, orders, rules, or regulations of a Governmental Authority.

**ARTICLE 15. NOTICES**

**15.1**

**General.**

Unless otherwise provided in this Agreement, any notice, demand or request required or

permitted to be given by a Party to the other Parties and any instrument required or permitted to

be tendered or delivered by a Party in writing to the other Parties shall be effective when

delivered and may be so given, tendered or delivered, by recognized national courier, or by

depositing the same with the United States Postal Service with postage prepaid, for delivery by

certified or registered mail, addressed to the Party, or personally delivered to the Party, at the

address set out in Appendix F hereto.

A Party may change the notice information in this Agreement by giving five (5) Business

Days written notice prior to the effective date of the change.

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**15.2**

**15.3**

**Billings and Payments.**

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

**Alternative Forms of Notice.**

Any notice or request required or permitted to be given by a Party to the other Parties and

not required by this Agreement to be given in writing may be so given by telephone, facsimile or

email to the telephone numbers and email addresses set out in Appendix F hereto.

**15.4**

**Operations and Maintenance Notice.**

National Grid and NYPA shall each notify the other Party, and NYISO, in writing of the

identity of the person(s) that it designates as the point(s) of contact with respect to the

implementation of Artic[les 9](#br20) a[nd 10](#br23) of this Agreement.

**ARTICLE 16. FORCE MAJEURE**

**16.1** Economic hardship is not considered a Force Majeure event.

**16.2** A Party shall not be responsible or liable, or deemed, in Default with respect to

any obligation hereunder, (including obligations under Artic[le 4](#br13) of this Agreement) , other than

the obligation to pay money when due, to the extent the Party is prevented from fulfilling such

obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an

obligation to pay money when due) by reason of Force Majeure shall give notice and the full

particulars of such Force Majeure to the other Parties in writing or by telephone as soon as

reasonably possible after the occurrence of the cause relied upon. Telephone notices given

pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall

specifically state full particulars of the Force Majeure, the time and date when the Force Majeure

occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall

exercise due diligence to remove such disability with reasonable dispatch, but shall not be

required to accede or agree to any provision not satisfactory to it in order to settle and terminate a

strike or other labor disturbance.

**ARTICLE 17. DEFAULT**

**17.1**

**General.**

No Breach shall exist where such failure to discharge an obligation (other than the

payment of money) is the result of Force Majeure as defined in this Agreement or the result of an

act or omission of the other Parties. Upon a Breach, a non-Breaching Party shall give written

notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days

from receipt of the Breach notice within which to cure such Breach; provided however, if such

Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall

commence such cure within thirty (30) Calendar Days after notice and continuously and

diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach

notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

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**17.2**

**Right to Terminate.**

If a Breach is not cured as provided in this Article [17, or if](#br27) a Breach is not capable of

being cured within the period provided for herein, a non-Breaching Party shall thereafter have

the right to declare a Default and terminate this Agreement by written notice at any time until

cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties

terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus

all other damages and remedies to which they are entitled at law or in equity. The provisions of

this Article will survive termination of this Agreement.

**ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE**

**18.1**

**Indemnity.**

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

harmless, as applicable, the other Parties (each an “Indemnified Party”) from, any and all

damages, losses, claims, including claims and actions relating to injury to or death of any person

or damage to property, the alleged violation of any Environmental Law, or the release or

threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses,

court costs, attorney fees, and all other obligations by or to third parties (any and all of these a

“Loss”), arising out of or resulting from (i) the Indemnified Party’s performance of its

obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the

Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the

gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the

Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any

Hazardous Substance.

**18.1.1**

**Indemnified Party.**

If a Party is entitled to indemnification under this Artic[le 18](#br28) as a result of a claim by a

third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed

under Artic[le 18.1.3, to](#br28) assume the defense of such claim, such Indemnified Party may at the

expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with

respect to, or pay in full, such claim.

**18.1.2**

**Indemnifying Party.**

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party

harmless under this Artic[le 18, the](#br28) amount owing to the Indemnified Party shall be the amount of

such Indemnified Party’s actual Loss, net of any insurance or other recovery.

**18.1.3**

**Indemnity Procedures.**

Promptly after receipt by an Indemnified Party of any claim or notice of the

commencement of any action or administrative or legal proceeding or investigation as to which

the indemnity provided for in Artic[le 18.1](#br28) may apply, the Indemnified Party shall notify the

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Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a

Party’s indemnification obligation unless such failure or delay is materially prejudicial to the

Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense

thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the

Indemnified Party. If the defendants in any such action include one or more Indemnified Parties

and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be

legal defenses available to it and/or other Indemnified Parties which are different from or

additional to those available to the Indemnifying Party, the Indemnified Party shall have the right

to select separate counsel to assert such legal defenses and to otherwise participate in the defense

of such action on its own behalf. In such instances, the Indemnifying Party shall only be

required to pay the fees and expenses of one additional attorney to represent an Indemnified

Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action,

suit or proceeding, the defense of which has been assumed by the Indemnifying Party.

Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and

control the defense of any such action, suit or proceedings if and to the extent that, in the opinion

of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential

imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of

interest between the Indemnified Party and the Indemnifying Party, in such event the

Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not

settle or consent to the entry of any judgment in any action, suit or proceeding without the

consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or

delayed.

**18.2**

**No Consequential Damages.**

Other than the indemnity obligations set forth in Artic[le 18.1, in no eve](#br28)nt shall any Party

be liable under any provision of this Agreement for any losses, damages, costs or expenses for

any special, indirect, incidental, consequential, or punitive damages, including but not limited to

loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary

equipment or services, whether based in whole or in part in contract, in tort, including

negligence, strict liability, or any other theory of liability; provided, however, that damages for

which a Party may be liable to another Party under separate agreement will not be considered to

be special, indirect, incidental, or consequential damages hereunder.

**18.3**

**Insurance.**

National Grid and NYPA shall each, at its own expense, procure and maintain in force

throughout the period of this Agreement and until released by the other Parties, the following

minimum insurance coverages, with insurance companies licensed to write insurance or

approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best

rating of A or better for financial strength, and an A.M. Best financial size category of VIII or

better:

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**18.3.1**

Employers’ Liability and Workers’ Compensation Insurance providing

statutory benefits in accordance with the laws and regulations of New York State.

**18.3.2**

Commercial General Liability (“CGL”) Insurance including premises and

operations, personal injury, broad form property damage, broad form blanket contractual liability

coverage products and completed operations coverage, coverage for explosion, collapse and

underground hazards, independent contractors coverage, coverage for pollution to the extent

normally available and punitive damages to the extent normally available using Insurance

Services Office, Inc. Commercial General Liability Coverage (“ISO CG”) Form CG 00 01 04 13

or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million

Dollars ($2,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate combined

single limit for personal injury, bodily injury, including death and property damage.

**18.3.3**

Comprehensive Automobile Liability Insurance for coverage of owned

and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads,

with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for

bodily injury, including death, and property damage.

**18.3.4**

If applicable, the Commercial General Liability and Comprehensive

Automobile Liability Insurance policies should include contractual liability for work in

connection with construction or demolition work on or within 50 feet of a railroad, or a separate

Railroad Protective Liability Policy should be provided.

**18.3.5**

Excess Liability Insurance over and above the Employers’ Liability,

Commercial General Liability and Comprehensive Automobile Liability Insurance coverages,

with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence

and Twenty Million Dollars ($20,000,000) aggregate. The Excess policies should contain the

same extensions listed under the Primary policies.

**18.3.6**

The Commercial General Liability Insurance, Comprehensive Automobile

Insurance and Excess Liability Insurance policies of National Grid and NYPA shall name the

other Party, its parent, associated and Affiliate companies and their respective directors, officers,

agents, servants and employees (“Other Party Group”) as additional insureds using ISO CG

Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or

equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all

rights of subrogation in accordance with the provisions of this Agreement against the Other Party

Group and provide thirty (30) Calendar days advance written notice to the Other Party Group

prior to anniversary date of cancellation or any material change in coverage or condition.

**18.3.7**

The Commercial General Liability Insurance, Comprehensive Automobile

Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify

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that the policies are primary and non-contributory. National Grid and NYPA shall each be

responsible for its respective deductibles or retentions.

**18.3.8**

The Commercial General Liability Insurance, Comprehensive Automobile

Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made

Basis, shall be maintained in full force and effect for at least three (3) years after termination of

this Agreement, which coverage may be in the form of tail coverage or extended reporting period

coverage if agreed by National Grid and NYPA.

**18.3.9**

If applicable, Pollution Liability Insurance in an amount no less than

$7,500,000 per occurrence and $7,500,000 in the aggregate. The policy will provide coverage

for claims resulting from pollution or other environmental impairment arising out of or in

connection with work performed on the premises by the other party, its contractors and and/or

subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third

party bodily injury and property damage and remediation and will be written on an occurrence

basis. The policy shall name the Other Party Group as additional insureds, be primary and

contain a waiver of subrogation.

**18.3.10**

The requirements contained herein as to the types and limits of all

insurance to be maintained by National Grid and NYPA are not intended to and shall not in any

manner, limit or qualify the liabilities and obligations assumed by those Parties under this

Agreement.

**18.3.11**

Within 30 Calendar Days following execution of this Agreement, and as

soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and

in any event within ninety (90) Calendar Days thereafter, National Grid and NYPA shall provide

certificate of insurance for all insurance required in this Agreement, executed by each insurer or

by an authorized representative of each insurer.

**18.3.12**

Notwithstanding the foregoing, National Grid and NYPA may each self-

insure to meet the minimum insurance requirements of Artic[les 18.3.1](#br30) thro[ugh 18.3.9](#br31) to the

extent it maintains a self-insurance program; provided that, such Party’s senior debt is rated at

investment grade, or better, by Standard & Poor’s and that its self-insurance program meets the

minimum insurance requirements of Artic[les 18.3.1](#br30) [through 18.3.9.](#br31) In the event that a Party is

permitted to self-insure pursuant to this Artic[le 18.3.12, it](#br31) shall notify the other Party that it

meets the requirements to self-insure and that its self-insurance program meets the minimum

insurance requirements in a manner consistent with that specified in Article[s 18.3.1](#br30) through

[18.3.9](#br31) and provide evidence of such coverages. For any period of time that a Party’s senior debt

is unrated by Standard & Poor’s or is rated at less than investment grade by Standard & Poor’s,

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such Party shall comply with the insurance requirements applicable to it under Artic[les 18.3.1](#br30)

[through 18.3.9.](#br31)

**18.3.13**

National Grid and NYPA agree to report to each other in writing as soon

as practical all accidents or occurrences resulting in injuries to any person, including death, and

any property damage arising out of this Agreement.

**18.3.14**

Subcontractors of each party must maintain the same insurance

requirements stated under Artic[les 18.3.1](#br30) [through 18.3.9](#br31) and comply with the Additional Insured

requirements herein. In addition, their policies must state that they are primary and non-

contributory and contain a waiver of subrogation.

**ARTICLE 19. ASSIGNMENT**

This Agreement may be assigned by a Party only with the written consent of the other

Parties; provided that a Party may assign this Agreement without the consent of the other Parties

to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal

authority and operational ability to satisfy the obligations of the assigning Party under this

Agreement; provided further that a Party may assign this Agreement without the consent of the

other Parties in connection with the sale, merger, restructuring, or transfer of a substantial

portion or all of its assets, so long as the assignee in such a transaction directly assumes in

writing all rights, duties and obligations arising under this Agreement; and provided further that

NYPA and National Grid shall each have the right to assign this Agreement, without the consent

of the other Parties, for collateral security purposes to aid in providing financing for the

Transmission Project, provided that NYPA or National Grid, as applicable, will promptly notify

the other Parties of any such assignment. Any financing arrangement entered into by NYPA or

National Grid pursuant to this Article will provide that prior to or upon the exercise of the

secured party’s, trustee’s or mortgagee’s assignment rights pursuant to said arrangement, the

secured creditor, the trustee or mortgagee will notify the other Parties of the date and particulars

of any such exercise of assignment right(s) and will provide the other Parties with proof that it

meets the requirements of Articles [11.4](#br25) and Article [18.3.](#br29) Any attempted assignment that

violates this Article is void and ineffective. Any assignment under this Agreement shall not

relieve a Party of its obligations, nor shall a Party’s obligations be enlarged, in whole or in part,

by reason thereof. Where required, consent to assignment will not be unreasonably withheld,

conditioned or delayed.

**ARTICLE 20. SEVERABILITY**

If any provision in this Agreement is finally determined to be invalid, void or

unenforceable by any court or other Governmental Authority having jurisdiction, such

determination shall not invalidate, void or make unenforceable any other provision, agreement or

covenant of this Agreement.

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**ARTICLE 21. COMPARABILITY**

The Parties will comply with all applicable comparability and code of conduct laws, rules

and regulations, as amended from time to time.

**ARTICLE 22. CONFIDENTIALITY**

**22.1**

**Confidentiality.**

Certain information exchanged by the Parties during the term of this Agreement shall

constitute confidential information (“Confidential Information”) and shall be subject to this

Artic[le 22.](#br33)

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

provide in writing, the basis for asserting that the information referred to in this Article warrants

confidential treatment, and the requesting Party may disclose such writing to the appropriate

Governmental Authority. Each Party shall be responsible for the costs associated with affording

confidential treatment to its information.

**22.2**

**Term.**

During the term of this Agreement, and for a period of three (3) years after the expiration

or termination of this Agreement, except as otherwise provided in this Artic[le 22, e](#br33)ach Party

shall hold in confidence and shall not disclose to any person Confidential Information.

**22.3**

**Confidential Information.**

The following shall constitute Confidential Information: (1) any non-public information

that is treated as confidential by the disclosing Party and which the disclosing Party identifies as

Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2)

information designated as Confidential Information by the NYISO Code of Conduct contained in

Attachment F to the ISO OATT.

**22.4**

**Scope.**

Confidential Information shall not include information that the receiving Party can

demonstrate: (1) is generally available to the public other than as a result of a disclosure by the

receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential

basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party

without restriction by a third party, who, to the knowledge of the receiving Party after due

inquiry, was under no obligation to the disclosing Party to keep such information confidential;

(4) was independently developed by the receiving Party without reference to Confidential

Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act

or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance

with Artic[le 22.9](#br34) of this Agreement, Order of Disclosure, to be disclosed by any Governmental

Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any

legal proceeding establishing rights and obligations under this Agreement. Information

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designated as Confidential Information will no longer be deemed confidential if the Party that

designated the information as confidential notifies the other Party that it no longer is

confidential.

**22.5**

**Release of Confidential Information.**

No Party shall release or disclose Confidential Information to any other person, except to

its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees,

consultants, or to parties who may be considering providing financing to or equity participation

with Developer, or to potential purchasers or assignees of a Party, on a need-to-know basis in

connection with this Agreement, unless such person has first been advised of the confidentiality

provisions of this Article [22](#br33) and has agreed to comply with such provisions. Notwithstanding

the foregoing, a Party providing Confidential Information to any person shall remain primarily

responsible for any release of Confidential Information in contravention of this Artic[le 22.](#br33)

**22.6**

**Rights.**

Each Party retains all rights, title, and interest in the Confidential Information that each

Party discloses to the other Party. The disclosure by each Party to the other Parties of

Confidential Information shall not be deemed a waiver by any Party or any other person or entity

of the right to protect the Confidential Information from public disclosure.

**22.7**

**No Warranties.**

By providing Confidential Information, no Party makes any warranties or representations

as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party

obligates itself to provide any particular information or Confidential Information to the other

Parties nor to enter into any further agreements or proceed with any other relationship or joint

venture.

**22.8**

**Standard of Care.**

Each Party shall use at least the same standard of care to protect Confidential Information

it receives as it uses to protect its own Confidential Information from unauthorized disclosure,

publication or dissemination. Each Party may use Confidential Information solely to fulfill its

obligations to the other Parties under this Agreement or its regulatory requirements, including the

ISO OATT and ISO Services Tariff. The NYISO shall, in all cases, treat the information it

receives in accordance with the requirements of Attachment F to the ISO OATT.

**22.9**

**Order of Disclosure.**

If a court or a Government Authority or entity with the right, power, and apparent

authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories,

requests for production of documents, administrative order, or otherwise, to disclose Confidential

Information, that Party shall provide the other Parties with prompt notice of such request(s) or

requirement(s) so that the other Parties may seek an appropriate protective order or waive

compliance with the terms of this Agreement. Notwithstanding the absence of a protective order

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or waiver, the Party may disclose such Confidential Information which, in the opinion of its

counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to

obtain reliable assurance that confidential treatment will be accorded any Confidential

Information so furnished.

**22.10**

**Termination of Agreement.**

Upon termination of this Agreement for any reason, each Party shall, within ten (10)

Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to

destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the

other Parties) or return to the other Parties, without retaining copies thereof, any and all written

or electronic Confidential Information received from the other Parties pursuant to this

Agreement.

**22.11**

**Remedies.**

The Parties agree that monetary damages would be inadequate to compensate a Party for

another Party’s Breach of its obligations under this Artic[le 22. Ea](#br33)ch Party accordingly agrees

that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the

first Party Breaches or threatens to Breach its obligations under this Article [22, whic](#br33)h equitable

relief shall be granted without bond or proof of damages, and the receiving Party shall not plead

in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an

exclusive remedy for the Breach of this Articl[e 22,](#br33) but shall be in addition to all other remedies

available at law or in equity. The Parties further acknowledge and agree that the covenants

contained herein are necessary for the protection of legitimate business interests and are

reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential

or punitive damages of any nature or kind resulting from or arising in connection with this

Artic[le 22.](#br33)

**22.12**

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

Notwithstanding anything in this Article [22](#br33) to the contrary, and pursuant to 18 C.F.R.

section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests

information from one of the Parties that is otherwise required to be maintained in confidence

pursuant to this Agreement or the ISO OATT, the Party shall provide the requested information

to FERC or its staff, within the time provided for in the request for information. In providing the

information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112,

request that the information be treated as confidential and non-public by FERC and its staff and

that the information be withheld from public disclosure. Parties are prohibited from notifying

the other Parties to this Agreement prior to the release of the Confidential Information to the

Commission or its staff. The Party shall notify the other Parties to the Agreement when it is

notified by FERC or its staff that a request to release Confidential Information has been received

by FERC, at which time the Parties may respond before such information would be made public,

pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a

confidential investigation shall be treated in a similar manner if consistent with the applicable

state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise,

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resulting from that Party divulging Confidential Information pursuant to a FERC or state

regulatory body request under this paragraph.

**22.13**

**Required Notices Upon Requests or Demands for Confidential Information**

Except as otherwise expressly provided herein, no Party shall disclose Confidential

Information to any person not employed or retained by the Party possessing the Confidential

Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the

disclosing Party to be required to be disclosed in connection with a dispute between or among

the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the

other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its

obligations under this Agreement, the ISO OATT or the ISO Services Tariff. Prior to any

disclosures of a Party’s Confidential Information under this subparagraph, or if any third party or

Governmental Authority makes any request or demand for any of the information described in

this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and

agrees to assert confidentiality and cooperate with the other Party in seeking to protect the

Confidential Information from public disclosure by confidentiality agreement, protective order or

other reasonable measures.

**ARTICLE 23. NATIONAL GRID AND NYPA NOTICES OF ENVIRONMENTAL**

**RELEASES**

National Grid and NYPA shall each notify the other Party, first orally and then in writing,

of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any

type of remediation activities related to the Transmission Projector the Network Upgrade

Facilities, each of which may reasonably be expected to affect the other Party. The notifying

Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith

effort to provide the notice no later than twenty-four hours after such Party becomes aware of the

occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports

filed with any Governmental Authorities addressing such events.

**ARTICLE 24. INFORMATION REQUIREMENT**

**24.1**

**Information Acquisition.**

National Grid and NYPA shall each submit specific information regarding the electrical

characteristics of their respective facilities to the other, and to NYISO, as described below and in

accordance with Applicable Reliability Standards.

**24.2**

**Information Submission Concerning the Network Upgrade Facilities.**

The initial information submission by National Grid and NYPA for the portion of the

Network Upgrade Facilities for which each is responsible shall occur no later than one hundred

eighty (180) Calendar Days prior to Trial Operation of the Network Upgrade Facilities and shall

include New York State Transmission System information necessary to allow National Grid or

NYPA, as applicable, to select equipment and meet any system protection and stability

requirements, unless otherwise mutually agreed to by NYPA and National Grid. On a quarterly

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basis National Grid and NYPA shall each provide the other Parties a status report on the

construction and installation of their portion of the Transmission Project and Network Upgrade

Facilities for which it has construction responsibility pursuant to Appendices A and C, including,

but not limited to, the following information: (1) progress to date; (2) a description of the

activities since the last report; (3) a description of the action items for the next period; and (4) the

delivery status of equipment ordered.

**24.3**

**Updated Information Submission Concerning the Transmission Project.**

The updated information submission by National Grid and NYPA for the portion of the

Transmission Project for which each is responsible, including manufacturer information, shall

occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation of the

Transmission Project. National Grid and NYPA shall submit a completed copy of the

Transmission Project data requirements contained in Appendix 1 to the Transmission

Interconnection Procedures. Information in this submission shall be the most current

Transmission Project design or expected performance data. Information submitted for stability

models shall be compatible with NYISO standard models.

**24.4**

**Information Supplementation.**

Prior to the In-Service Date(s) for the Transmission Project and Network Upgrade

Facilities, National Grid and NYPA shall supplement their information submissions described

above in this [Article 24w](#br36)ith any and all “as-built” Transmission Project and Network Upgrade

Facilities information or “as-tested” performance information that differs from the initial

submissions or, alternatively, written confirmation that no such differences exist. National Grid

and NYPA shall conduct tests on the Transmission Project as required by Good Utility Practice.

Subsequent to the In-Service Date, National Grid and NYPA shall each provide the other

Parties any information changes concerning its portion of the Transmission Project due to

equipment replacement, repair, or adjustment. National Grid and NYPS shall provide the other

Parties any information changes concerning its Network Upgrade Facilities due to equipment

replacement, repair or adjustment in its directly connected substation or any of its adjacent

substations that may affect the Transmission Project’s equipment ratings, protection or operating

requirements. NYPA and National Grid shall provide such information no later than thirty (30)

Calendar Days after the date of the equipment replacement, repair or adjustment.

**ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS**

**25.1**

**Information Access.**

Each Party (“Disclosing Party”) shall make available to another Party (“Requesting

Party”) information that is in the possession of the Disclosing Party and is necessary in order for

the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the

Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and

responsibilities under this Agreement. The Parties shall not use such information for purposes

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other than those set forth in this Article [25.1](#br37) of this Agreement and to enforce their rights under

this Agreement.

**25.2**

**Reporting of Non-Force Majeure Events.**

Each Party (the “Notifying Party”) shall notify the other Parties when the Notifying Party

becomes aware of its inability to comply with the provisions of this Agreement for a reason other

than a Force Majeure event. The Parties agree to cooperate with each other and provide

necessary information regarding such inability to comply, including the date, duration, reason for

the inability to comply, and corrective actions taken or planned to be taken with respect to such

inability to comply. Notwithstanding the foregoing, notification, cooperation or information

provided under this Article shall not entitle the Party receiving such notification to allege a cause

for anticipatory breach of this Agreement.

**25.3**

**Audit Rights.**

Subject to the requirements of confidentiality under Artic[le 22](#br33) of this Agreement, each

Party shall have the right, during normal business hours, and upon prior reasonable notice to

another Party, to audit at its own expense the other Party’s accounts and records pertaining to the

other Party’s performance or satisfaction of its obligations under this Agreement. Such audit

rights shall include audits of the other Party’s costs and each Party’s actions in an Emergency or

Emergency State. Any audit authorized by this Article shall be performed at the offices where

such accounts and records are maintained and shall be limited to those portions of such accounts

and records that relate to the Party’s performance and satisfaction of obligations under this

Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit

rights periods described in Artic[le 25.4](#br38) of this Agreement.

**25.4**

**Audit Rights Periods.**

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

Accounts and records related to the design, engineering, procurement, and construction of

the Network Upgrade Facilities shall be subject to audit for a period of twenty-four months

following, as applicable, NYPA’s or National Grid’s submission of the In-Service Date form for

the Network Upgrade Facilities set forth in Attachment E-2 to this Agreement.

**25.4.2 Audit Rights Period for All Other Accounts and Records.**

Accounts and records related to a Party’s performance or satisfaction of its obligations

under this Agreement other than those described in Artic[le 25.4.1 of](#br38) this Agreement shall be

subject to audit for twenty-four months after the event for which the audit is sought.

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**25.5**

**Reserved.**

**ARTICLE 26. SUBCONTRACTORS**

**26.1**

**General.**

Nothing in this Agreement shall prevent a Party from utilizing the services of any

subcontractor as it deems appropriate to perform its obligations under this Agreement; provided,

however, that each Party shall require its subcontractors to comply with all applicable terms and

conditions of this Agreement in providing such services and each Party shall remain primarily

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

**26.2**

**Responsibility of Principal.**

The creation of any subcontract relationship shall not relieve the hiring Party of any of its

obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties

for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been

made; provided, however, that in no event shall any Party be liable for the actions or inactions of

another Party or its subcontractors with respect to obligations of that Party under Artic[le 5](#br14) of this

Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be

equally binding upon, and shall be construed as having application to, any subcontractor of such

Party.

**26.3**

**No Limitation by Insurance.**

The obligations under this Artic[le 26](#br39) will not be limited in any way by any limitation of

subcontractor’s insurance.

**ARTICLE 27. DISPUTES**

**27.1**

**Submission.**

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection

with this Agreement or its performance (a “Dispute”), such Party shall provide the other Parties

with written notice of the Dispute (“Notice of Dispute”). Such Dispute shall be referred to a

designated senior representative of each Party for resolution on an informal basis as promptly as

practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated

representatives are unable to resolve the Dispute through unassisted or assisted negotiations

within thirty (30) Calendar Days of the other Parties’ receipt of the Notice of Dispute, such

Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in

accordance with the arbitration procedures set forth below. In the event the Parties do not agree

to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it

may have in equity or at law consistent with the terms of this Agreement.

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**27.2**

**External Arbitration Procedures.**

Any arbitration initiated under this Agreement shall be conducted before a single neutral

arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten

(10) Calendar Days of the submission of the Dispute to arbitration, the Parties shall invoke the

assistance of the FERC’s Dispute Resolution Service to select an arbitrator. ach Party shall

choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the

arbitrator shall be knowledgeable in electric utility matters, including electric transmission and

bulk power issues, and shall not have any current or past substantial business or financial

relationships with any party to the arbitration (except prior arbitration). The arbitrator shall

provide each of the Parties an opportunity to be heard and, except as otherwise provided herein,

shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the

American Arbitration Association (“Arbitration Rules”) and any applicable FERC regulations or

RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the

terms of this Artic[le 27, the te](#br39)rms of this Artic[le 27](#br39) shall prevail.

**27.3**

**Arbitration Decisions.**

Unless otherwise agreed by the Parties, the arbitrator shall render a decision within ninety

(90) Calendar Days of appointment and shall notify the Parties in writing of such decision and

the reasons therefor. The arbitrator shall be authorized only to interpret and apply the provisions

of this Agreement and shall have no power to modify or change any provision of this Agreement

in any manner. The decision of the arbitrator shall be final and binding upon the Parties, and

judgment on the award may be entered in any court having jurisdiction. The decision of the

arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the

decision itself, violated the standards set forth in the Federal Arbitration Act or the

Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed

with FERC if it affects jurisdictional rates, terms and conditions of service or Network Upgrade

Facilities.

**27.4**

**Costs.**

Each Party shall be responsible for its own costs incurred during the arbitration process

and for its per capita share of the costs of the sing arbitrator.

**27.5**

**Termination.**

Notwithstanding the provisions of this Article [27, a](#br39)ny Party may terminate this

Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue

of whether such a termination is proper shall not be considered a Dispute hereunder.

**ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS**

**28.1**

**General.**

Each Party makes the following representations, warranties and covenants:

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**28.1.1**

**Good Standing.**

Such Party is duly organized, validly existing and in good standing under the laws of the

state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do

business in the state or states in which the Transmission Project and Network Upgrade Facilities

owned by such Party, as applicable, are located; and that it has the corporate power and authority

to own its properties, to carry on its business as now being conducted and to enter into this

Agreement and carry out the transactions contemplated hereby and perform and carry out all

covenants and obligations on its part to be performed under and pursuant to this Agreement.

**28.1.2**

**Authority.**

Such Party has the right, power and authority to enter into this Agreement, to become a

Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and

binding obligation of such Party, enforceable against such Party in accordance with its terms,

except as the enforceability thereof may be limited by applicable bankruptcy, insolvency,

reorganization or other similar laws affecting creditors’ rights generally and by general equitable

principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

**28.1.3**

**No Conflict.**

The execution, delivery and performance of this Agreement does not violate or conflict

with the organizational or formation documents, or bylaws or operating agreement, of such

Party, or any judgment, license, permit, order, material agreement or instrument applicable to or

binding upon such Party or any of its assets.

**28.1.4**

**Consent and Approval.**

Such Party has sought or obtained, or, in accordance with this Agreement will seek or

obtain, each consent, approval, authorization, order, or acceptance by any Governmental

Authority in connection with the execution, delivery and performance of this Agreement, and it

will provide to any Governmental Authority notice of any actions under this Agreement that are

required by Applicable Laws and Regulations.

**ARTICLE 29. MISCELLANEOUS**

**29.1**

**Binding Effect.**

This Agreement and the rights and obligations hereof, shall be binding upon and shall

inure to the benefit of the successors and permitted assigns of the Parties hereto.

**29.2**

**Conflicts.**

If there is a discrepancy or conflict between or among the terms and conditions of this

cover agreement and the Appendices hereto, the terms and conditions of this cover agreement

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shall be given precedence over the Appendices, except as otherwise expressly agreed to in

writing by the Parties.

**29.3**

**Rules of Interpretation.**

This Agreement, unless a clear contrary intention appears, shall be construed and

interpreted as follows: (1) the singular number includes the plural number and vice versa; (2)

reference to any person includes such person’s successors and assigns but, in the case of a Party,

only if such successors and assigns are permitted by this Agreement, and reference to a person in

a particular capacity excludes such person in any other capacity or individually; (3) reference to

any agreement (including this Agreement), document, instrument or tariff means such

agreement, document, instrument, or tariff as amended or modified and in effect from time to

time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to

any Applicable Laws and Regulations means such Applicable Laws and Regulations as

amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time,

including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated

otherwise, reference to any Article, Section or Appendix means such Article of this Agreement

or such Appendix to this Agreement, or such Section to the Transmission Interconnection

Procedures or such Appendix to the Transmission Interconnection Procedures, as the case may

be; (6) “hereunder”, “hereof’, “herein”, “hereto” and words of similar import shall be deemed

references to this Agreement as a whole and not to any particular Article or other provision

hereof or thereof; (7) “including” (and with correlative meaning “include”) means including

without limiting the generality of any description preceding such term; and (8) relative to the

determination of any period of time, “from” means “from and including”, “to” means “to but

excluding” and “through” means “through and including”.

**29.4**

**Compliance.**

Each Party shall perform its obligations under this Agreement in accordance with

Applicable Laws and Regulations, Applicable Reliability Standards, the ISO OATT and Good

Utility Practice. To the extent a Party is required or prevented or limited in taking any action by

such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement

for its compliance therewith. When any Party becomes aware of such a situation, it shall notify

the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is

appropriate under the circumstances.

**29.5**

**Joint and Several Obligations.**

Except as otherwise stated herein, the obligations of NYISO, NYPA, and National Grid

are several, and are neither joint nor joint and several.

**29.6**

**Entire Agreement.**

This Agreement, including all Appendices and Schedules attached hereto, constitutes the

entire agreement between the Parties with reference to the subject matter hereof, and supersedes

all prior and contemporaneous understandings or agreements, oral or written, between the Parties

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with respect to the subject matter of this Agreement. There are no other agreements,

representations, warranties, or covenants which constitute any part of the consideration for, or

any condition to, either Party’s compliance with its obligations under this Agreement.

**29.7**

**No Third Party Beneficiaries.**

This Agreement is not intended to and does not create rights, remedies, or benefits of any

character whatsoever in favor of any persons, corporations, associations, or entities other than the

Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their

successors in interest and permitted their assigns.

**29.8**

**Waiver.**

The failure of a Party to this Agreement to insist, on any occasion, upon strict

performance of any provision of this Agreement will not be considered a waiver of any

obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either

Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a

waiver with respect to any other failure to comply with any other obligation, right, duty of this

Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

**29.9**

**Headings.**

The descriptive headings of the various Articles of this Agreement have been inserted for

convenience of reference only and are of no significance in the interpretation or construction of

this Agreement.

**29.10**

**Multiple Counterparts.**

This Agreement may be executed in two or more counterparts, each of which is deemed

an original but all constitute one and the same instrument.

**29.11**

**Amendment.**

The Parties may by mutual agreement amend this Agreement, by a written instrument

duly executed by all three of the Parties.

**29.12**

**Modification by the Parties.**

The Parties may by mutual agreement amend the Appendices to this Agreement, by a

written instrument duly executed by all three of the Parties. Such an amendment shall become

effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

**29.13**

**Reservation of Rights.**

NYISO, NYPA, and National Grid shall have the right to make unilateral filings with

FERC to modify this Agreement with respect to any rates, terms and conditions, charges,

classifications of service, rule or regulation under section 205 or any other applicable provision

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of the Federal Power Act and FERC’s rules and regulations thereunder, and shall have the right

to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any

other applicable provision of the Federal Power Act and FERC’s rules and regulations

thereunder; provided that each Party shall have the right to protest any such filing by another

Party and to participate fully in any proceeding before FERC in which such modifications may

be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under

sections 205 or 206 of the Federal Power Act and FERC’s rules and regulations thereunder,

except to the extent that the Parties otherwise mutually agree as provided herein.

**29.14**

**No Partnership.**

This Agreement shall not be interpreted or construed to create an association, joint

venture, agency relationship, or partnership among the Parties or to impose any partnership

obligation or partnership liability upon any Party. No Party shall have any right, power or

authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an

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

**29.15**

**Other Transmission Rights.**

Notwithstanding any other provision of this Agreement, nothing herein shall be construed

as relinquishing or foreclosing any rights, including but not limited to firm transmission rights,

capacity rights, or transmission congestion rights that NYPA or National Grid shall be entitled

to, now or in the future under any other agreement or tariff as a result of, or otherwise associated

with, the transmission capacity, if any, created by the Network Upgrade Facilities.

**29.16**

**Modifications Related to NYISO’s Compliance with Order No. 2023.**

If, as part of the NYISO’s compliance proceeding at the Commission in response to

Order No. 2023, the Commission directs that the NYISO modify the *pro forma* Standard Large

Generator Interconnection Agreement located in Appendix 4 of Attachment X of the ISO OATT,

the Parties shall amend and restate this Agreement to incorporate the modifications; *provided,*

*however*, the Parties may agree to include in the amended and restated agreement non-

conforming changes to any terms of the *pro forma* Standard Large Generator Interconnection

Agreement that have been modified to comply with the Commission’s order, which non-

conforming modifications must be filed with the Commission for its acceptance.

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**IN WITNESS WHEREOF**, the Parties have executed this Agreement in duplicate originals,

each of which shall constitute and be an original effective Agreement between the Parties.

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

By:

Name:

Title:

Date:

**Niagara Mohawk Power Corporation d/b/a National Grid**

By:

Name:

Title:

Date:

**New York Power Authority**

By:

Name:

Title:

Date:

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**APPENDICES**

**Appendix A**

Network Upgrade Facilities

**Appendix B**

Milestones

**Appendix C**

Interconnection Details

**Appendix D**

Security Arrangements Details

**Appendix E-1**

Initial Synchronization Date

**Appendix E-2**

In-Service Date

**Appendix F**

Addresses for Delivery of Notices and Billings

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**APPENDIX A**

**NETWORK UPGRADE FACILITIES**

**I.**

**Network Upgrade Facilities**

The Network Upgrade Facilities are required to reliably interconnect the Transmission

Project. National Grid and NYPA shall design, procure, obtain all required permits for,

construct, and install the Network Upgrade Facilities for which each is responsible as set forth in

this Appendix A.

**A. National Grid**

National Grid is responsible for the following Network Upgrade Facilities:

*i.*

*Edic Substation*

• Interconnect new Austin Road Substation to Edic Substation with new Austin

Road-Edic 345kV line;

• Install new shunt connected capacitor bank and system modifications as needed to

accommodate the new Austin Road-Edic 345kV line and capacitor bank; and

• Evaluate relays associated with existing lines at Edic Substation, including Edic-

Fitzpatrick, Edic-Fraser Annex, Edic-New Scotland, two (2) Edic-Edge, and two

(2) Edic-Clay lines.

*ii.*

*Porter Substation*

• As part of the Q1125 Smart Path Connect (SPC) facility studies, a system low-

voltage condition was discovered during the NYISO System Study. To resolve

this condition, the 230kV Edic – Porter LN17 will be retained. As such, the Porter

230kV yard will remain in service at the completion of the Transmission Project.

The Porter 230kV yard will be reconfigured as a three-bay double-breaker-

double-bus with the three-line positions occupied by the 230kV Edic – Porter

LN17, the 230/115kV Transformer #1 (TB1) and the 230/115kV Transformer #2

(TB2) respectively.

*iii.*

*Volney Substation*

Transmission Project scope includes changes to Marcy Substation to construct a new

bay and line position for Marcy-Adirondack 345kV line that requires the following

work at Volney Substation for Marcy-Volney line:

• Evaluate relays associated with Marcy-Volney line to include two (2) line relays

and four (4) breaker control relays.

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*iv.*

*v.*

*New Scotland Substation (Remote End)*

• Evaluate relays associated with Marcy-New Scotland line including three (3)

breaker control relays.

*Clay Substation (Remote End)*

• Evaluate relays associated with two (2) Edic-Clay lines including four (4) line

protection relays and eight (8) breaker control relays.

**B. NYPA**

NYPA is responsible for the following Network Upgrade Facilities:

*i. Patnode Substation*

• Rebuild existing Willis-Patnode 230kV line to two (2) 230kV lines;

• Add one (1) additional line position to Patnode 230 kV ring bus; and

• Evaluate relays associated with the Patnode-Bull Run and Patnode-Marble River

230kV line positions.

*ii. Willis 230 kV Substation (Existing)*

• Transmission Project scope includes to re-terminate existing Willis 230kV

Substation via W1 and W2 lines at the new Willis-Annex 230kV Substation. The

existing Willis-Patnode and Willis-Ryan lines will be reconstructed and

terminated at the new Willis-Annex 230kV Substation.

• Line protection relaying associated with new line terminations at new Willis-

Annex 230kV are included in the scope of the Transmission Project; therefore, it

is not necessary to evaluate additional line relays at existing stations such as

Willis 230kV Substation.

*iii. Willis 115 kV Substation*

• No additional Willis 115kV line relay changes will be evaluated as the 115kV line

terminals are separated from the Willis-Willis Annex 230kV line by two (2)

system buses away.

*Note*: Remote-end line terminals will be evaluated two (2) buses away from the

Transmission Project as part of Wide Area Coordination Study.

*iv. Moses Substation*

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The Transmission Project scope includes the rebuild of two (2) Moses-Willis 230kV lines

and the two (2) Moses-Adirondack 230kV lines to the new Haverstock Substation; Moses

Substation will interconnect to Haverstock Substation with three (3) 230kV lines

comprised of existing and reconstructed assets. Transmission Project scope includes the

construction of series reactors on two (2) Moses-Massena 230kV lines.

• Evaluate relays associated with two (2) Moses-Ontario 230 kV lines due to

above Transmission Project scope at Moses Substation.

*v. Massena Substation*

The Transmission Project scope includes installing two (2) new series reactors with the

230kV Moses-Massena MMS-2 line and Moses-Massena MMS-1 line.

• Due to the above line changes on MMS1 and MMS2 associated with the

Transmission Project, relays associated with MMS1, MMS2 230kV lines,

Massena-Chateaugay (HQ) and Massena-Marcy 765kV lines at Massena

Substation will be evaluated for changes.

*vi.*

*Marcy Substation*

The Transmission Project scope includes the installation of one (1) new bay with one new

345kV line position and two (2) new 345kV circuit breakers at Marcy Substation to

interconnect the new Marcy-Adirondack 345kV line.

• Relays associated with existing lines at Marcy Substation will require

evaluation for changes due to the Transmission Project scope. Such relay

changes associated with the Marcy-Volney, Marcy-New Scotland and Marcy-

Coopers Corners 345kV lines are included in the Transmission Project scope;

therefore no additional relay changes are required.

*vii.*

*Duley Substation (Remote End)*

• Evaluate relays associated with Duley-Bull Run 230kV line due to the

construction of Bull Run Wind (Queue No. 521) that will separate Duley

Substation from Patnode and Ryan substations.

*viii.*

*Ryan Substation*

The Transmission Project scope includes installing one (1) additional 230kV circuit

breaker and line position to the existing ring bus configuration at Ryan Substation.

Rebuild existing Willis-Ryan 230kV line with two (2) new lines extending to the new

Willis Annex 230kV Substation.

• Relay changes associated with existing lines at Ryan substation such as Ryan-

Clinton, Ryan-Ellenburg, and Ryan-Chateaugay 230kV lines are included in

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the Transmission Project scope; therefore no additional relay changes are

required.

*ix. Plattsburgh Substation (Remote End)*

• Evaluate relay changes associated with Ryan-Plattsburgh 230kV line to

include two (2) line relays and four (4) breaker control relays.

*x. Fraser Annex (Remote End)*

• Evaluate relay changes associated with Edic-Fraser Annex line to include two

(2) line protection relays and four (4) breaker control relays.

*Note*: All impedance-based relays (21, 67) installed within (2) two buses of a series

capacitor bank installed at NYPA’s Fraser Annex substation must be Real Time Digital

Simulator (RTDS) tested. RTDS testing is planned to be performed in the detailed

engineering phase.

*xi.*

*Coopers Corners Substation (Remote End) (NYSEG)*

• Evaluate relay changes associated with Marcy-Coopers Corners line including

two (2) line relays and four (4) breaker control relays.

**II.**

**Network Upgrade Facilities on Affected Systems**

The Transmission Interconnection Studies for the Transmission Project identified

Network Upgrade Facilities that are required on Affected Systems to reliably interconnect the

Transmission Project to the New York State Transmission System. The required upgrades for

the Affected Systems listed below will be addressed pursuant to separate agreement(s).

•

Ellenburg Substation, owned and operated by Valcour/ Applied Energy Service

(AES).

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•

Clinton Substation, owned and operated by Valcour/ AES.

Marble River Substation, owned by EDP Renewables.

Chateaugay WF Substation, owned and operated by Valcour/AES.

Fitzpatrick Substation, owned by Constellation Energy.

MV Edge Substation, owned by Fort Schuyler Management Company.

Q521 Bull Run Wind Farm, NYPA.

Rector Road Substation, jointly owned by EDP Renewables and Avangrid.

Maple Ridge Wind 1 and Maple Ridge Wind 2, owned by EDP Renewables.

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Roaring Brook Wind, owned by Avangrid.

Ontario Hydro Plant.

Beaver Falls Generation, owned by NAES/Starwood Energy.

*Note:* Q620 North Side Solar has not commenced construction; no changes to the scope are

necessary.

**III.**

**Cost Estimates**

**Description**

**Estimated Cost**

$255,190

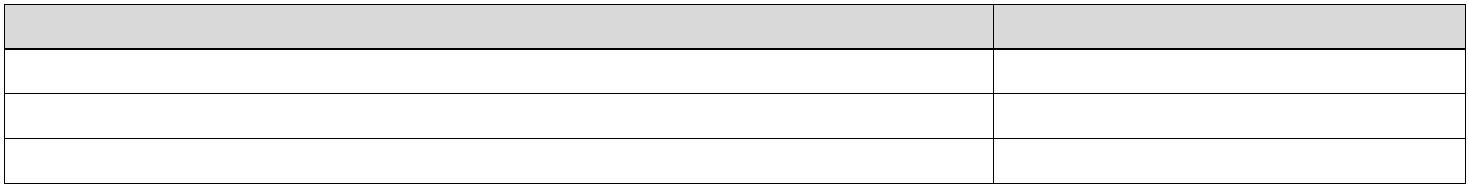
$514,899

Network Upgrade Facilities

Other System Upgrades

**Total $770,089**

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**Figure 1: NNYPTP Connect Overall One-Line Diagram**

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**Figure 2: Haverstock Substation One Line Diagram (sheet 1 of 3)**

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**Figure 2: Haverstock Substation One Line Diagram (sheet 2 of 3)**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 2: Haverstock Substation One Line Diagram (sheet 3 of 3)**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 3: Adirondack 345kV Substation One Line Diagram**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 4: Willis 345/230kV Substation One Line Diagram**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 5: Austin Road 345kV Substation One Line Diagram**

(see below)

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A-7

**SERVICE AGREEMENT NO. 2870**

**Figure 6: Haverstock Substation Site Plan**

(see below)

**[CONTAINS CEII – THIS PAGE REMOVED FROM PUBLIC VERSION]**

A-8

**SERVICE AGREEMENT NO. 2870**

**Figure 7: Adirondack 345kV Substation Site Plan**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 8: Willis 345/230kV Substation Site Plan**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**Figure 9: Austin Road 345kV Substation Site Plan**

(see below)

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**SERVICE AGREEMENT NO. 2870**

**APPENDIX B**

**1. Milestones**

**MILESTONES**

**Date**

**Milestone**

**Responsible Party**

1. Development of Project Plan

Completed (Jan 2022) Transmission Developer

2. New York State Department of

Public Service Article VII

Completed (August

2022)

Transmission Developer

Transmission Developer

Approval (NYPA & NGRID)

3. New York State Department of

Public Service Environmental

Management & Construction Plan

Approval (NYPA)

Completed (Sept

2022)

4. Execute Interconnection

Agreement

December 2024

June 2025

Transmission

Developer/Connecting

Transmission Owner

5. Transmission Line MMS1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

6. Marcy Substation test &

commission

November 2025

June 2025

Transmission

Developer/Connecting

Transmission Owner

7. Massena Substation test &

commission

Transmission

Developer/Connecting

Transmission Owner

8. Transmission Line MMS2 test &

commission

June 2025

Transmission

Developer/Connecting

Transmission Owner

9. Willis Substation test &

commission

November 2025 &

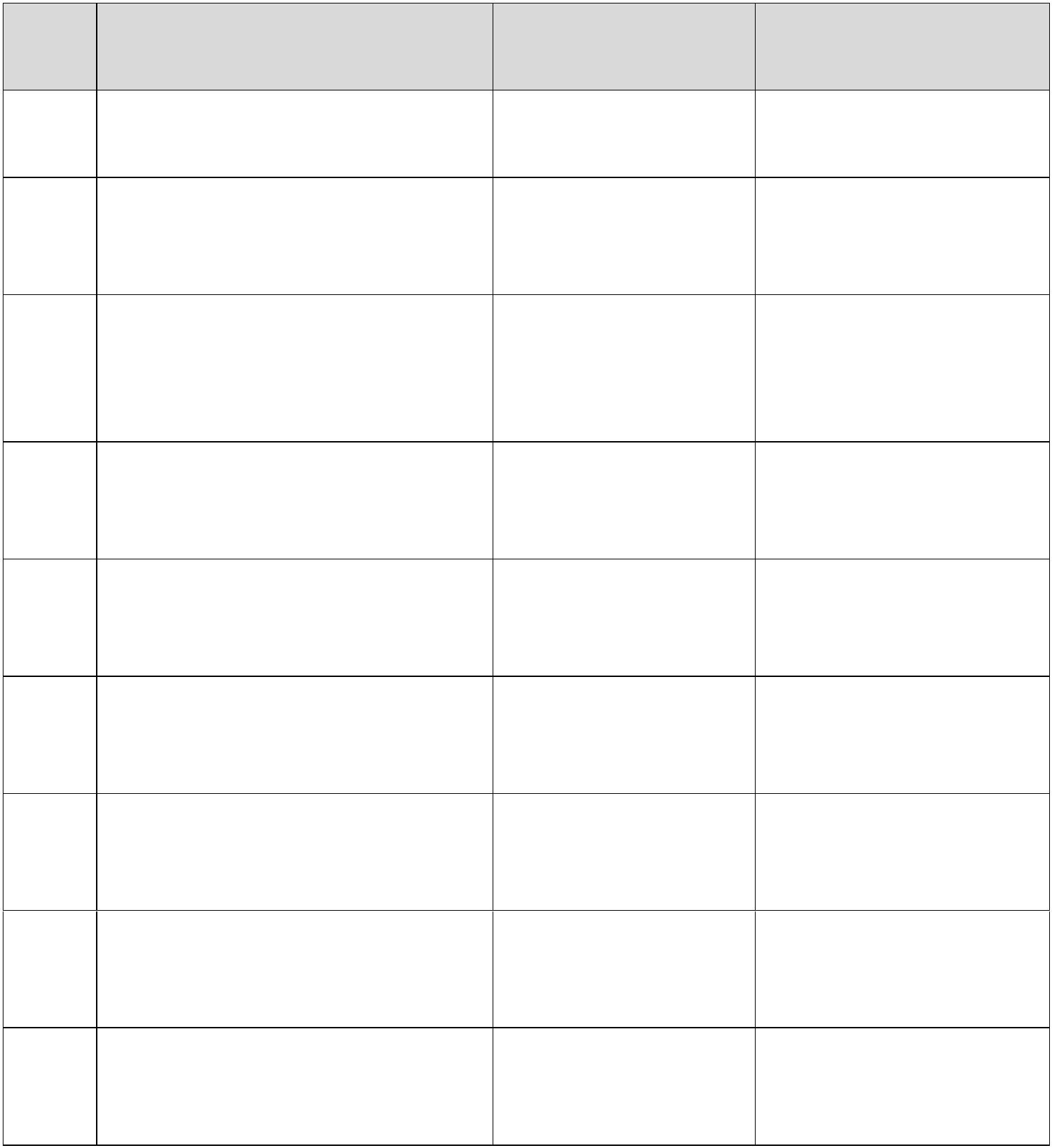
May 2026

Transmission

Developer/Connecting

Transmission Owner

A-1



**SERVICE AGREEMENT NO. 2870**

**Milestone**

**Date**

**Responsible Party**

10. Haverstock Substation test &

commission

November 2025 &

May 2026

Transmission

Developer/Connecting

Transmission Owner

11. Adirondack Substation test &

commission

November 2025

Transmission

Developer/Connecting

Transmission Owner

12. Ryan Substation test & commission May 2026

Transmission

Developer/Connecting

Transmission Owner

13. Patnode Substation test &

commission

November 2025

Transmission

Developer/Connecting

Transmission Owner

14. Transmission Line MH3 test &

commission

November 2025

November 2025

November 2025

November 2025

November 2025

November 2025

Transmission

Developer/Connecting

Transmission Owner

15. Transmission Line HW2 test &

commission

Transmission

Developer/Connecting

Transmission Owner

16. Transmission Line W1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

17. Transmission Line WPN1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

18. Transmission Line WPN2 test &

commission

Transmission

Developer/Connecting

Transmission Owner

19. Transmission Line WRY1 test &

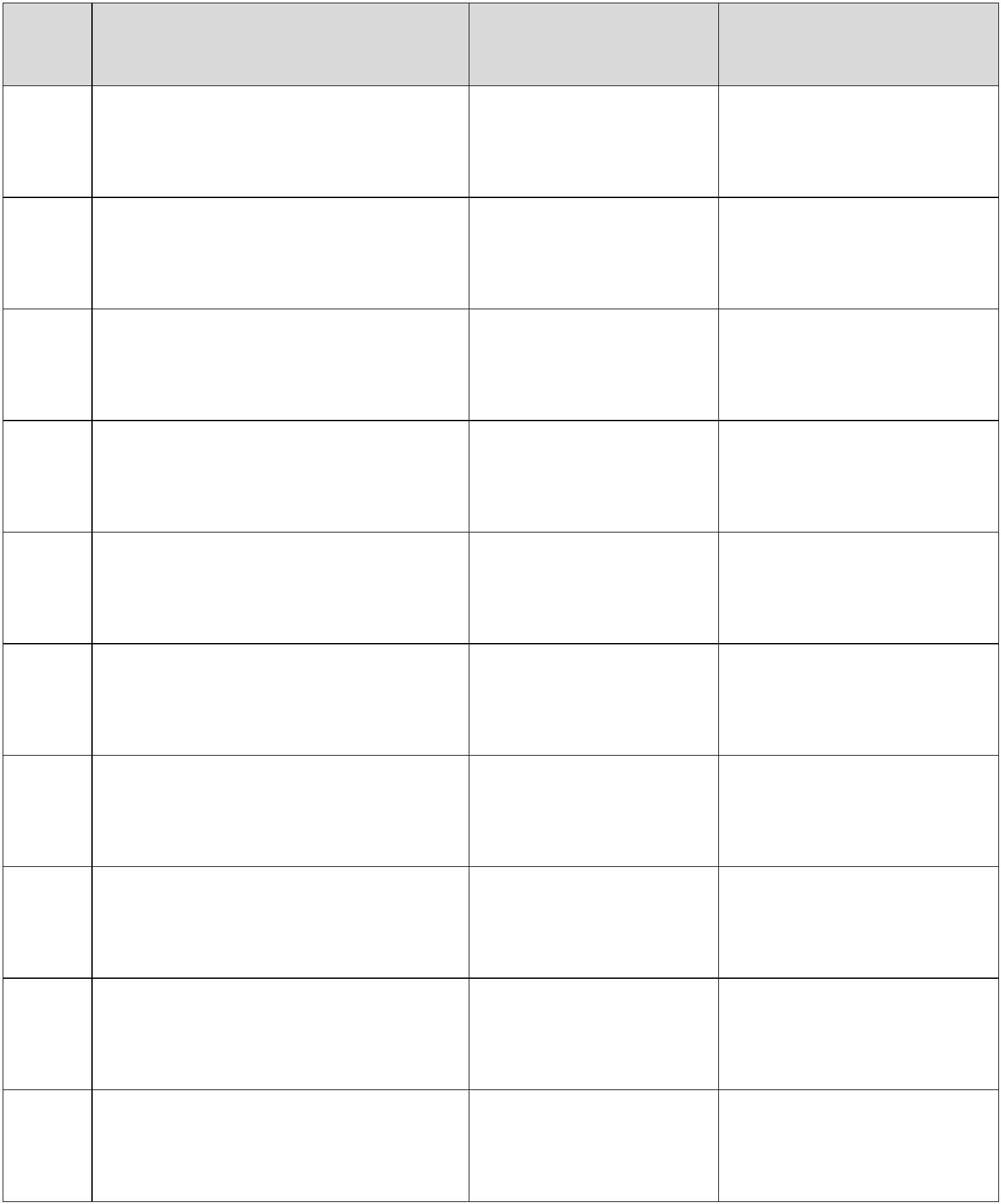
commission

Transmission

Developer/Connecting

Transmission Owner

A-2



**SERVICE AGREEMENT NO. 2870**

**Milestone**

**Date**

**Responsible Party**

20. Transmission Line MH2 test &

commission

November 2025

Transmission

Developer/Connecting

Transmission Owner

21. Transmission Line HA2 test &

commission

October 2025

May 2026

Transmission

Developer/Connecting

Transmission Owner

22. Transmission Line HW1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

23. Transmission Line W2 test &

commission

May 2026

Transmission

Developer/Connecting

Transmission Owner

24. Transmission Line WRY2 test &

commission

May 2026

Transmission

Developer/Connecting

Transmission Owner

25. Marcy Substation test &

November 2025

November 2025

October 2025

November 2025

Transmission

Developer/Connecting

Transmission Owner

commission (with NGRID Line 12)

26. Transmission Line MH1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

27. Transmission Line HA1 test &

commission

Transmission

Developer/Connecting

Transmission Owner

28. Moses Substation modifications

Transmission

Developer/Connecting

Transmission Owner

29. Austin Rd 345kV Substation test & October 2025

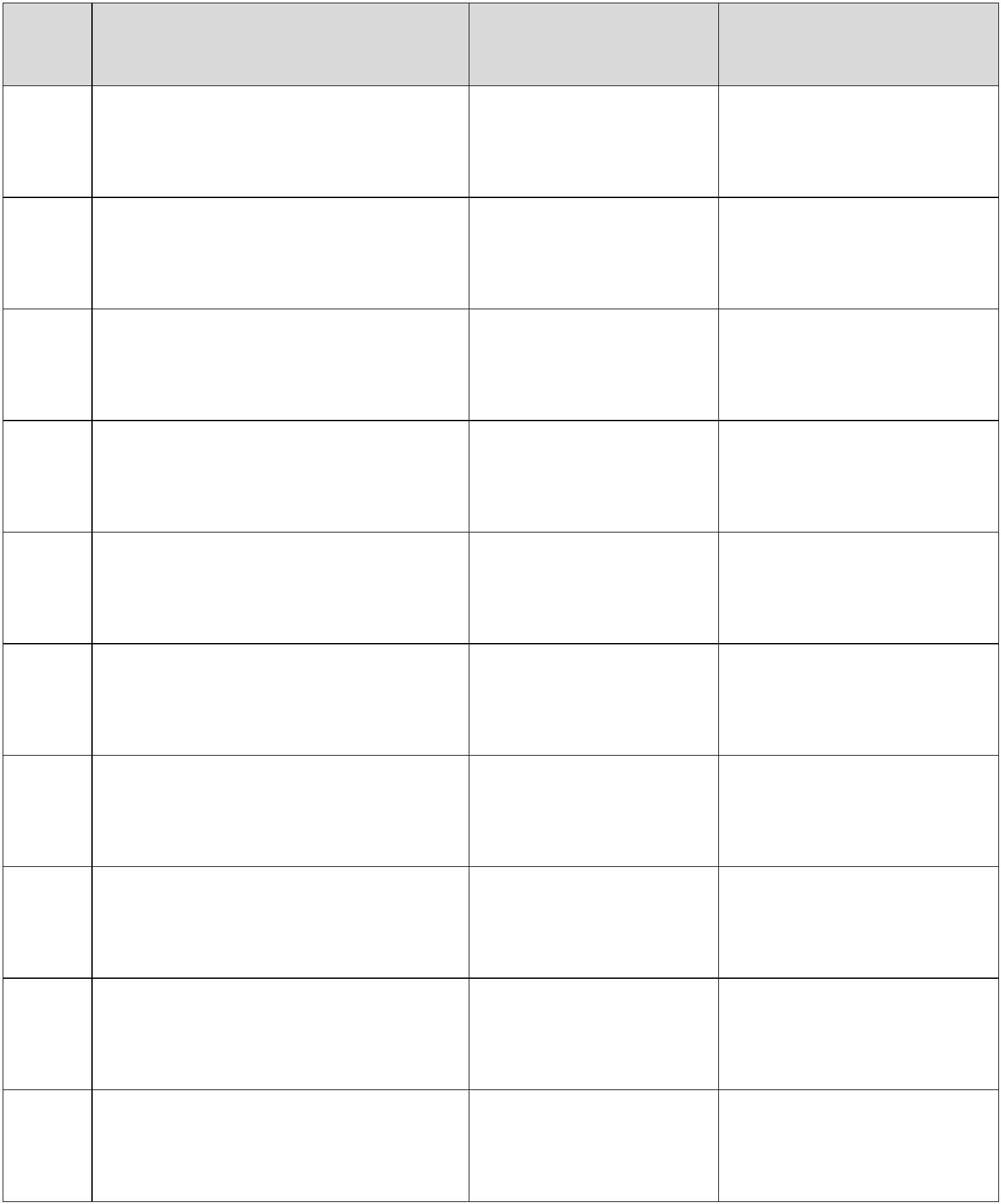
commission

Transmission

Developer/Connecting

Transmission Owner

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**SERVICE AGREEMENT NO. 2870**

**Milestone**

**Date**

**Responsible Party**

30. Edic 345kV Substation

October 2025

Transmission

Modification test & commissioning

Developer/Connecting

Transmission Owner

31. Chases Lake 230kV Substation

targeted yard

June 2026

June 2026

Transmission

Developer/Connecting

Transmission Owner

retirements/modifications

32. Porter 230kV Substation targeted

yard retirements/modifications

Transmission

Developer/Connecting

Transmission Owner

33. Rector Rd 230kV Substation test & October 2025

commissioning

Transmission

Developer/Connecting

Transmission Owner

34. Transmission Line new 345kV

Adirondack – Austin Rd Line 13

test & commissioning

October 2025

October 2025

November 2025

October 2025

December 2025

May 2026

Transmission

Developer/Connecting

Transmission Owner

35. Transmission Line new 345kV

Austin Rd – Edic Line 11 test &

commissioning

Transmission

Developer/Connecting

Transmission Owner

36. Transmission Line new 345kV

Adirondack – Marcy Line 12 test &

commissioning

Transmission

Developer/Connecting

Transmission Owner

37. Transmission Line extension

230kV Rector Rd – Austin Rd Line

10 test & commissioning

Transmission

Developer/Connecting

Transmission Owner

38. Project In-Service – Southern

Transmission

Developer/Connecting

Transmission Owner

Portion

39. Project In-Service – Northern

Transmission

Portion

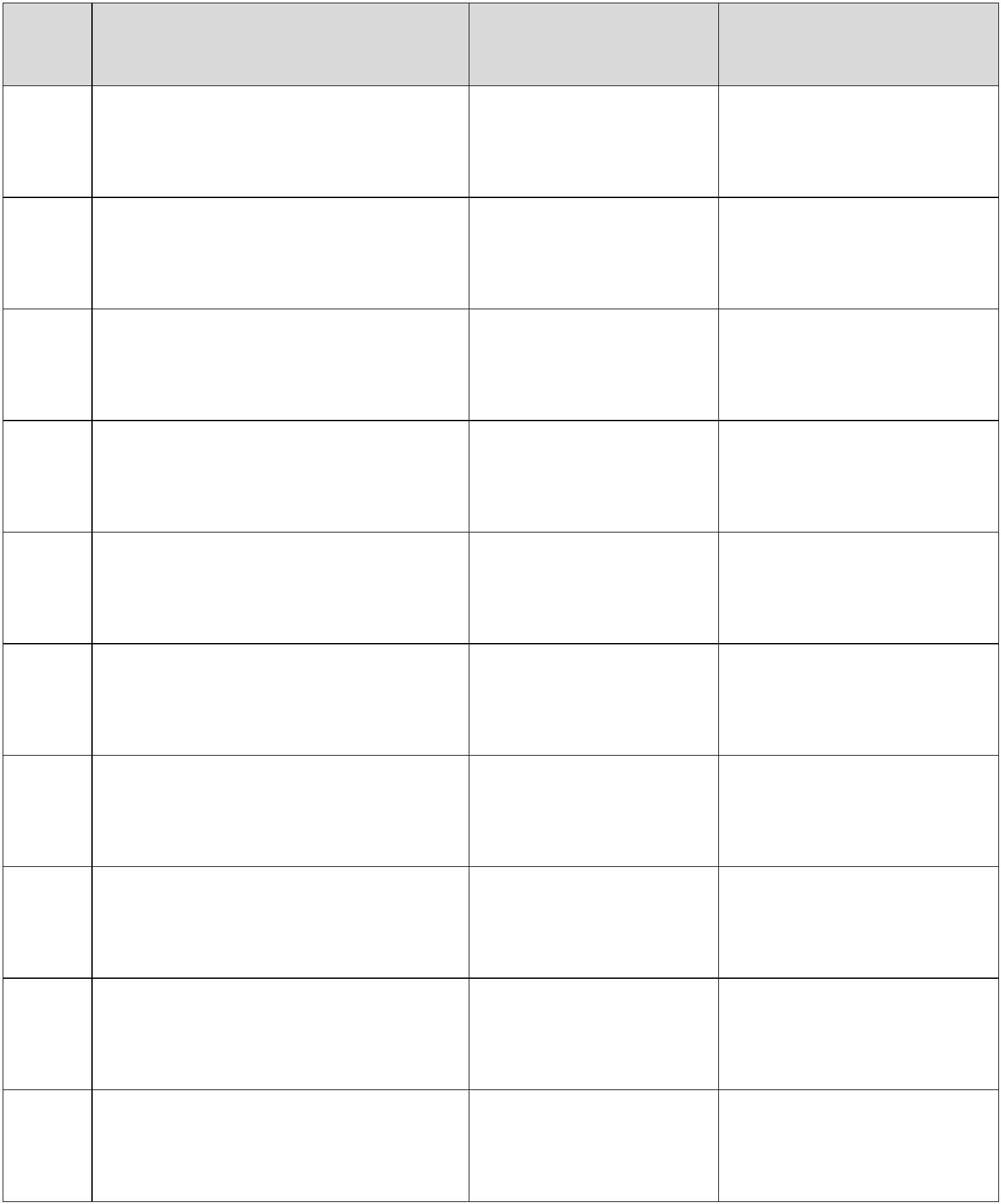
Developer/Connecting

Transmission Owner

**NOTE:** Interconnected facilities (i.e., wind farms) are included in substation and transmission

scope and not listed as separate items.

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**SERVICE AGREEMENT NO. 2870**

**APPENDIX C**

**INTERCONNECTION DETAILS**

**1. Description of the Transmission Project**

National Grid and NYPA have developed the NNYPTP Transmission Project with

NYISO Queue Position No. 1125, that will interconnect to the New York State Transmission

System.

The Transmission Project will be located in the North (Zone D) and Mohawk Valley

Region (Zone E) of New York.

**A. NYPA Portion of Transmission Project**

NYPA is responsible for the following portion of the Transmission Project:

• Build a new Haverstock 345kV Substation, with the following additional scope of

work: o

o Complete Smart Path Phase II with modification to Haverstock Substation and

extend the Smart Path Phase I Project to complete the rebuild of Adirondack

to Haverstock from 230kV to 345kV circuits.

o Create a loop using three existing 230kV circuits (northern portion of MA1&2

and MW2) from Moses 230kV Substation to Haverstock via 230/345kV

transformers.

• Reconstruct the existing Adirondack 230kV Substation to 345kV. Construct a new

Adirondack-Austin Road 345kV line and Adirondack-Marcy 345kV line.

• Construct a new Willis-Annex 345kV/230kV Substation.

• Construct a new bay at Marcy Substation including two (2) new 345kV breakers to

interconnect with Adirondack Substation.

• Rebuild the existing Moses-Willis 230kV lines (MW1&2) to be Haverstock-Willis

345kV lines that will connect to the new Willis 230kV substation via 345/230kV

transformers. Moses substation will interconnect with Haverstock Substation via the

MH1, MH2 and MH3 230kV lines.

• Rebuild the existing Willis-Patnode 230kV lines (WPN1 and WPN2) and Willis-

Ryan 230kV lines (WRY1 and WRY2) into two (2) 230kV circuits terminating at the

new Willis-Annex Substation.

• Upgrade Ryan, Patnode, Moses, Marcy, and Massena substations.

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**SERVICE AGREEMENT NO. 2870**

• Install two (2) series reactors on the Moses-Massena 230kV lines

• Retire portions of the existing Adirondack 230kV substation

**B. National Grid Portion of the Transmission Project**

National Grid is responsible for the following portion of the Transmission Project:

• Construct a new Austin Road 345kV substation to replace the Chases Lake 230kV

substation and re-terminate Maple Ridge 1 & 2 and Roaring Brook wind generation

via Rector Road Substation by approximately a one mile extension of existing 230kV

10 line into new Austin Road 345kV substation.

• Retire the existing Adirondack-Chases Lake 230kV line, Chases Lake-Porter 230kV

line, and Adirondack-Porter 230kV line.

• Partial Retirement the existing Chases Lake Substation.

• The proposed solution (Option 3A) from the Facilities Study for Q1125 resolves the

low-voltage condition at Porter 115kV substation. Option 3A includes:

decommissioning part of the existing Porter 230kV substation, and leaving portions

of the 230kV bus, two (2) 230/115kV transformers, and the Edic-Porter 230kV line

in-service. It also includes upgrades to Edic Substation, the installation of a back-to-

back tie breaker in a recently created open bay at Edic Substation, and the installation

of one (1) shunt capacitor at Edic Substation. The back-to-back tie breaker will be

installed to alleviate the stuck breaker contingency of the bay shared by the Marcy –

Edic line and the Austin Rd – Edic line.

**2. Description of Points of Interconnection and Points of Change of Ownership**

The Points of Interconnection (“POI”) and Points of Change of Ownership (“PCO”) of

the Transmission Project are identified in the table below and are also shown in the POI one-line

diagrams that follow:

**Transmission**

**Line/NYPA Facilities**

**Connection**

**Line #**

**Designation**

**Structure**

**Structure**

**Description of**

**Change of**

**Ownership**

**Description**

**Where POI is**

**Located**

**Description**

**Where PCO is**

**Located**

Beaver Falls Generation

115kV Line BFA1 at

NYPA's Adirondack

Substation

BFA1

Adirondack bus

between 345kV

substation

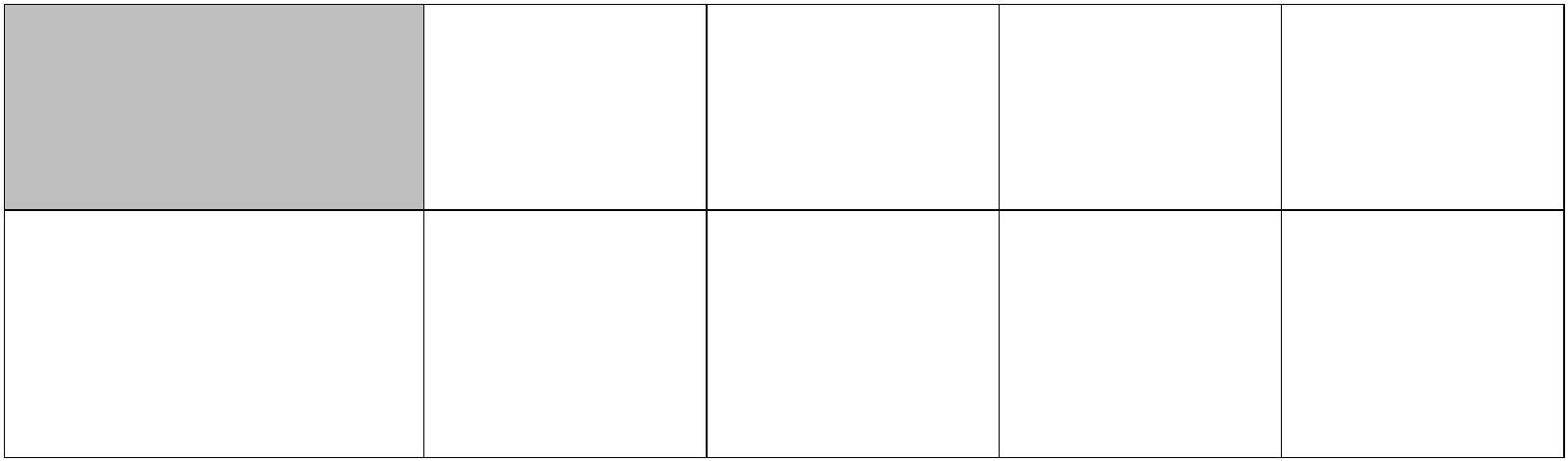
switches 3009 &

3013

In development

Note 1

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**SERVICE AGREEMENT NO. 2870**

NGRID 345kV Line 13 at Line 13

NYPA's Adirondack

Substation

Adirondack bus

between 345kV

substation

Str 13-1

Note 2

switches 3103 &

3107

NGRID 345kV Line 13 at Line 13

NGRID’s Austin Road

Substation

Austin Road

Substation bus

switch #133

NA

Maple Ridge 1 & 2 and

Roaring Brook wind

generation 230kV Line 10

Rector Road – Austin

Road

Line 10

Austin Rd

substation bus

switch #103

Existing Switch

#103 (located on

A-frame of

retired Chases

Lake Substation)

to be renamed

X10-1

NGRID 345kV Line 11 at Line 11

NGRID’s Austin Road

Substation

Austin Rd

substation bus

switch #113

NA

NGRID 345kV Line 11 at Line 11

Edic Rd

NA

NGRID’s Edic Substation

substation bus

switch #113

NGRID 345kV Line 12 at Line 12

NYPA's Adirondack

Substation

Adirondack bus

between 345kV

substation

switches 3003 &

3007

Str 12-1

Note 3

Note 4

NGRID 345kV Line 12 at Line 12

NYPA's Marcy

Substation

Marcy bus

between 345kV

substation

Str 12-309

switches 3503 &

3507

Northside Solar 345kV

Line Segments to NYPA's

MMS1 Line

TBD

TBD

TBD

Note 5

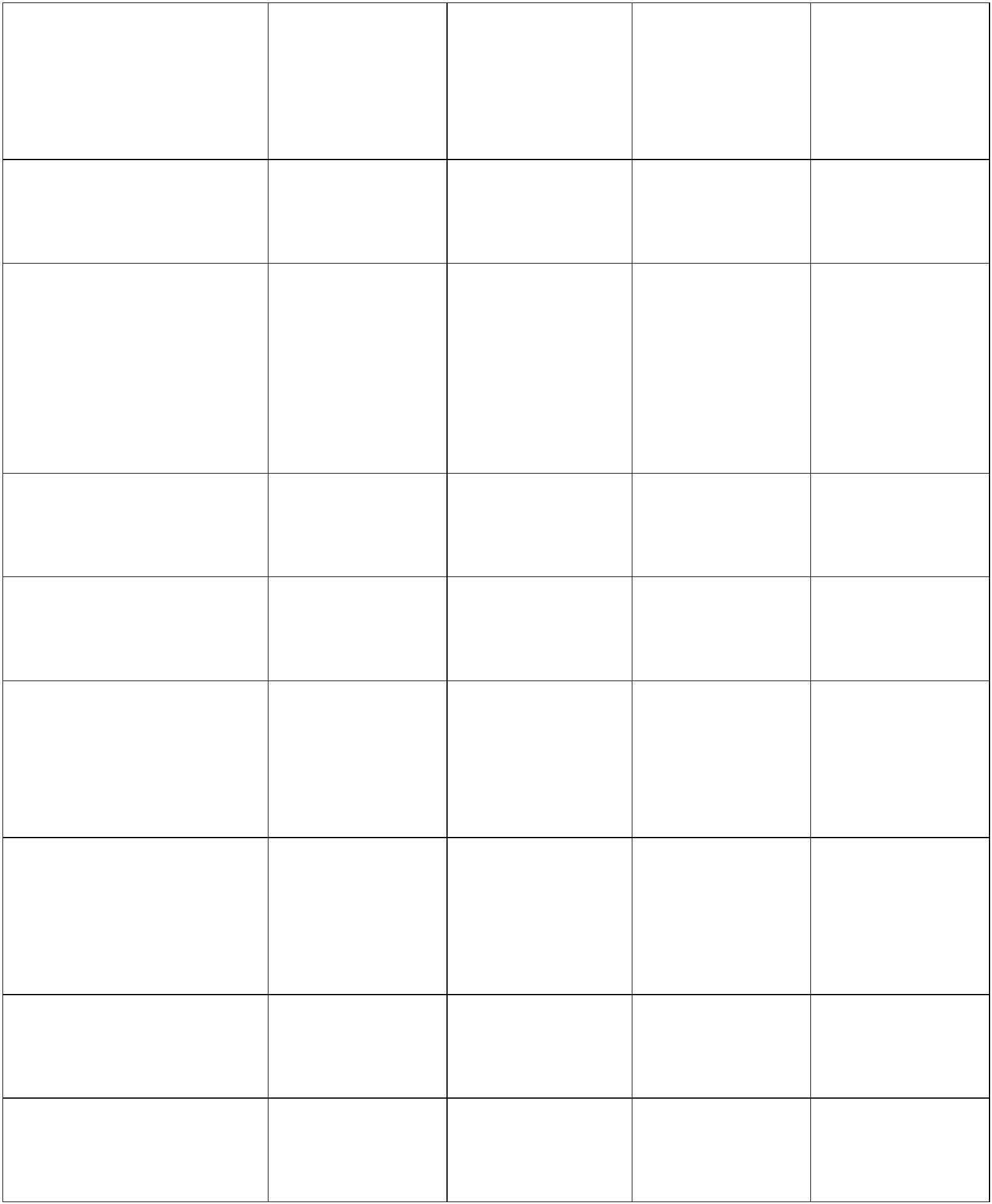
Note 6

Adirondack and Marcy

substations Optical

Ground Wire (OPGW)

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**SERVICE AGREEMENT NO. 2870**

NYPA 230kV Series

Reactors at NYPA's

Massena Substation

MMS1

MMS2

Substation series NA

reactor's

conductor

Note 7

Note 7

connectors

NYPA 230kV Line at

NYPA's Moses

Substation

MH1

MH2

MH3

W1

Moses bus

between 230kV

substation

switches 2409 &

2413

NA

NA

NA

NA

NA

NA

NA

NYPA 230kV Line at

NYPA's Moses

Substation

Moses bus

between 230kV

substation

switches 2609 &

2613

Note 7

Note 7

Note 7

Note 7

Note 7

Note 7

NYPA 230kV Line at

NYPA's Moses

Substation

Moses bus

between 230kV

substation

switches 2503 &

2507

NYPA Willis Annex

230kV Line at NYPA's

Willis Substation

Willis bus

between 230kV

substation

switches 2303 &

2313

NYPA Willis Annex

230kV Line at NYPA's

Willis Substation

W2

Willis bus

between 230kV

substation

switches 2109 &

2113

NYPA Willis Annex

230kV Line at NYPA's

Patnode Substation

WPN1

WPN2

Patnode bus

between 230kV

substation

switches 2103 &

2107

NYPA Willis Annex

230kV Line at NYPA's

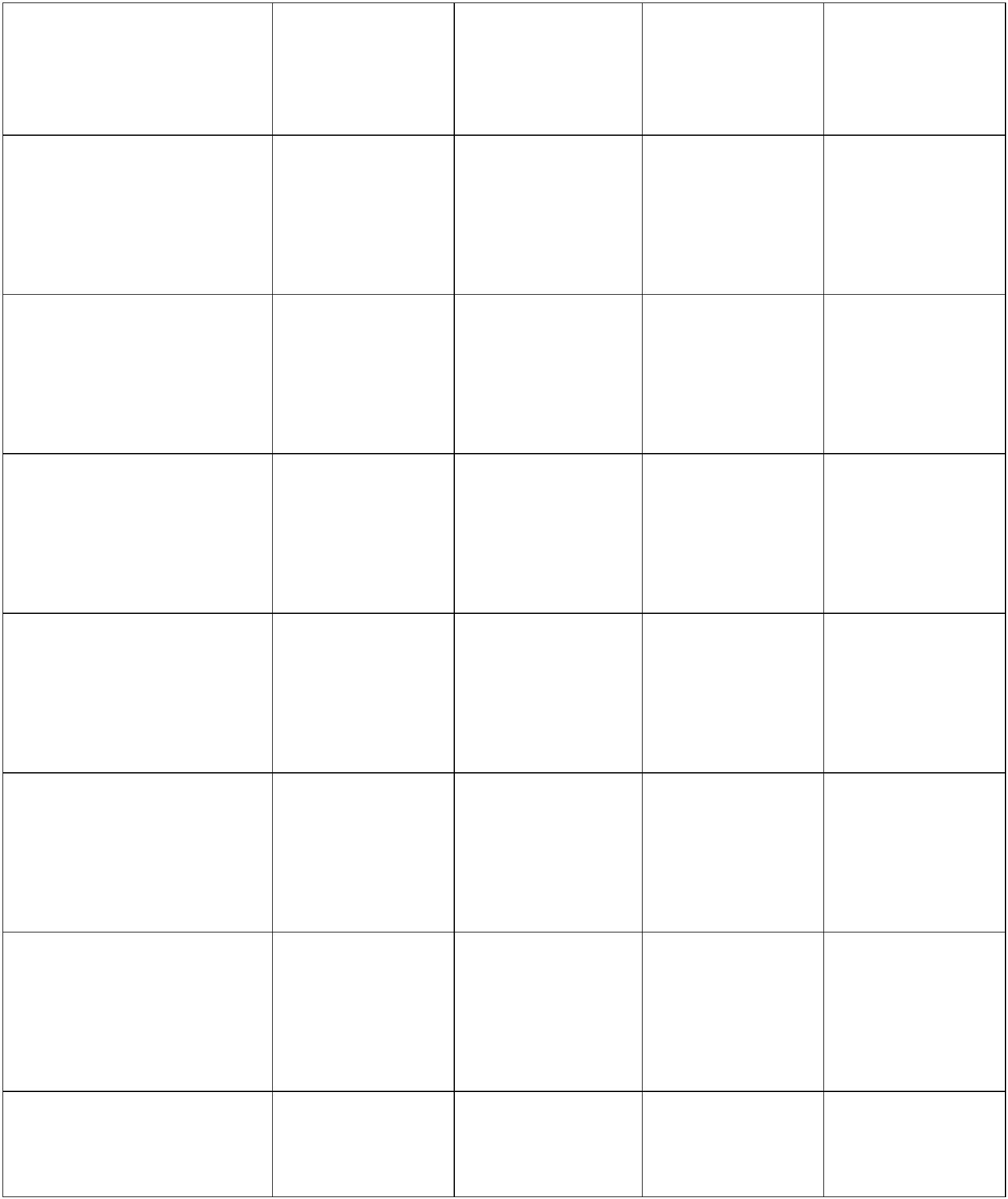
Patnode Substation

Patnode bus

between 230kV

substation

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**SERVICE AGREEMENT NO. 2870**

switches 2203 &

2207

NYPA Willis Annex

230kV Line at NYPA's

Ryan Substation

WRY1

WRY2

Ryan bus

between 230kV

substation

switches 2115 &

2215

NA

NA

Note 7

Note 7

NYPA Willis Annex

230kV Line at NYPA's

Ryan Substation

Ryan bus

between 230kV

substation

switches 2103 &

2107

**NOTES:**

**Note 1:** The POI and PCO for the Beaver Falls generator at Adirondack are being finalized and

will be defined in the Interconnection Agreement for the generation facility.

**Note 2:** The Line 13 point of conductor and overhead shield wire asset ownership changes at the

dead-ends hardware nearest the Adirondack substation at structure 13-1. NYPA will own up to,

but not including the compression dead-end. NGRID will own the compression dead-ends and

transmission facilities toward the transmission ROW.

**Note 3:** The Line 12 point of conductor and overhead shield wire asset ownership changes at the

dead-ends hardware nearest the Adirondack substation at structure 12-1. NYPA will own up to,

but not including the compression dead-end. NGRID will own the compression dead-ends and

transmission facilities toward the transmission ROW.

**Note 4:** The Line 12 point of conductor asset ownership changes at the dead-end hardware

nearest the Marcy substation at structure 12-309. NYPA will own up to, but not including the

compression dead-end. NGRID will own the compression dead-end and transmission facilities

toward the transmission ROW. NYPA will own structures 12-310, 12-311 and 12-312 with

associated foundation and grounding. These structures are between 12-309 and the NYPA Marcy

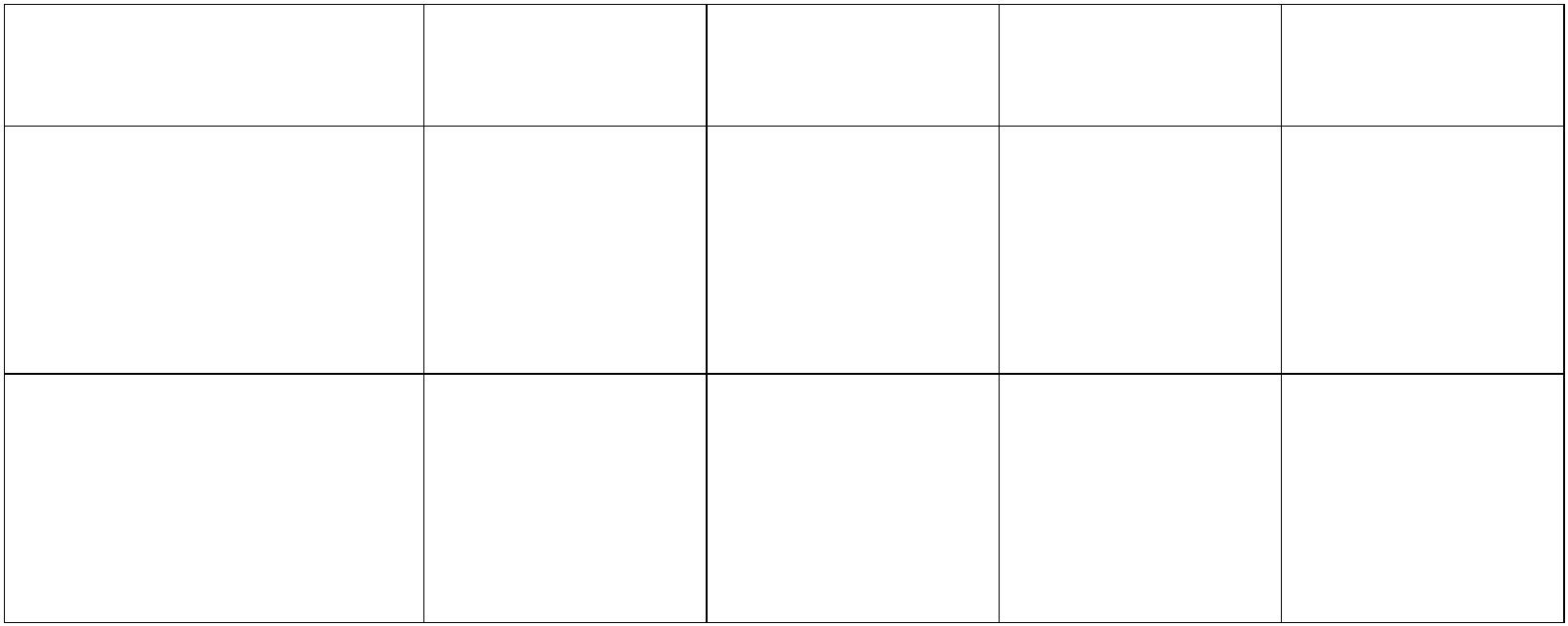
substation.

**Note 5:** The transmission design for the interconnection of the Northside Solar project has not

been completed. The POI and PCO will be determined by the Northside Solar developer and

NYPA and included in that Interconnection Agreement.

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**SERVICE AGREEMENT NO. 2870**

**Note 6:** NGRID will lease/exchange OPGW between the Adirondack and Marcy Substations as

follows:

• NYPA will lease/exchange one OPGW 48 strand starting at A-frame junction box of

NYPA 345kV new Adirondack Substation, running down new Line 12 and ending at A-

frame junction box at NYPA Marcy 345kV Substation.

• NYPA will lease/exchange one OPGW 48 strand starting at A-frame junction box of

NYPA 345kV new Adirondack Substation, running down new Line 13, into and out of

NGRID new Austin Rd 345kV Substation, running down new Line 11, and into NGRID

existing Edic Substation ending at A-frame junction box.

**Note 7:** These interfaces are NYPA Project Developer facilities connected to existing NYPA

facilities; therefore, POCs are not applicable.

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**SERVICE AGREEMENT NO. 2870**

**Figure C-1**

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**3. Additional Operating Requirements**

National Grid and NYPA must comply with all applicable NYISO tariffs and procedures,

as amended from time to time.

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**SERVICE AGREEMENT NO. 2870**

**APPENDIX D**

**SECURITY ARRANGEMENTS DETAILS**

Infrastructure security of New York State Transmission System equipment and

operations and control hardware and software is essential to ensure day-to-day New York State

Transmission System reliability and operational security. The Commission will expect the

NYISO, all Transmission Owners, all Transmission Developers and all other Market Participants

to comply with the recommendations offered by the President’s Critical Infrastructure Protection

Board and, eventually, best practice recommendations from the electric reliability authority. All

public utilities will be expected to meet basic standards for system infrastructure and operational

security, including physical, operational, and cyber-security practices.

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**SERVICE AGREEMENT NO. 2870**

**APPENDIX E-1**

**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

Attn: Director, Customer Energy Integration & Commercial Services

2 Hanson Place

Brooklyn, NY 11217

Phone: (781) 906-4030

New York Power Authority

Sr. Vice President Transmission

Zeltmann 500MW Power Project

31-03 20th Avenue

Astoria, NY 11105-2014

Phone: (718) 267-5603

Re:

[**Transmission Project/Network Upgrade Facilities**]

On **[Date] [NYPA/National Grid]** initially synchronized the [**describe Transmission**

**Project/Network Upgrade Facilities**]. This letter confirms [**Transmission Project/**]’s Initial

Synchronization Date was [**specify**].

Thank you.

[**Signature**]

[**NYPA/ National Grid Representative**]

E-1-1



**SERVICE AGREEMENT NO. 2870**

**APPENDIX E-2**

**IN-SERVICE 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

Attn: Director, Customer Energy Integration & Commercial Services

2 Hanson Place Brooklyn, NY 11217

Phone: (781) 906-4030

New York Power Authority

Sr. Vice President Transmission

Zeltmann 500MW Power Project

31-03 20th Avenue

Astoria, NY 11105-2014

Phone: (718) 267-5603

Re:

[**Transmission Project/Network Upgrade Facilities**]

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

On **[Date] [NYPA/National Grid]** has completed Trial Operation of [**describe Transmission**

**Project/Network Upgrade Facilities**]. This letter confirms that [**describe Transmission**

**Project/Network Upgrade Facilities**] [**has/have**] commenced service, effective as of **[Date**

**plus one day]**.

Thank you.

**[Signature]**

**[Transmission Developer/Connecting Transmission Owner Representative]**

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**SERVICE AGREEMENT NO. 2870**

**APPENDIX F**

**ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS**

**Notices:**

NYISO:

Before commercial operation of the Transmission Project:

New York Independent System Operator, Inc.

Attn: Vice President, System and Resource Planning

10 Krey Boulevard

Rensselaer, NY 12144

Phone: (518) 356-6000

Fax: (518) 356-6118

After commercial operation of the Transmission Project:

New York Independent System Operator, Inc.

Attn: Vice President, Operations

10 Krey Boulevard

Rensselaer, NY 12144

Phone: (518) 356-6000

Fax: (518) 356-6118

National Grid:

Niagara Mohawk Power Corporation d/b/a National Grid

Attn: Director, Customer Energy Integration & Commercial Services

2 Hanson Place

Brooklyn, NY 11217

Phone: (781) 906-4030

NYPA:

New York Power Authority

Sr. Vice President Transmission

Zeltmann 500MW Power Project

31-03 20th Avenue

Astoria, NY 11105-2014

Phone: (718) 267-5603

Phone: (518) 287 6301

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**SERVICE AGREEMENT NO. 2870**

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

NYISO:

Before commercial operation of the Transmission Project:

New York Independent System Operator, Inc.

Attn: Vice President, System and Resource Planning

10 Krey Boulevard

Rensselaer, NY 12144

Phone: (518) 356-6000

Fax: (518) 356-6118

E-mail: interconnectionsupport@nyiso.com

After commercial operation of the Transmission Project:

New York Independent System Operator, Inc.

Attn: Vice President, Operations

10 Krey Boulevard

Rensselaer, NY 12144

Phone: (518) 356-6000

Fax: (518) 356-6118

E-mail: interconnectionsupport@nyiso.com

National Grid:

Niagara Mohawk Power Corporation d/b/a National Grid

Attn: Director, Customer Energy Integration & Commercial Services

2 Hanson Place

Brooklyn, NY 11217

Phone: (781) 906-4030

E-mail: NYISOInterconnectionRequests@nationalgrid.com

NYPA:

New York Power Authority

Saul Rojas

New York Power Authority

Sr. Vice President Transmission

New York Power Authority

Zeltmann 500MW Power Project

31-03 20th Avenue

Astoria, NY 11105-2014

(718) 267-5603Saul.Rojas@nypa.gov

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