

**SERVICE AGREEMENT NO. 2521**

**SERVICE AGREEMENT NO. 2521**  
**INTERCONNECTION AGREEMENT**  
**AMONG THE**  
**NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.**  
**AND**  
**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.**

**Dated as of March 26, 2020**

**(East River 2 Uprate Project)**

## SERVICE AGREEMENT NO. 2521

### TABLE OF CONTENTS

	Page Number
ARTICLE 1. DEFINITIONS .....	1
ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION .....	9
2.1 Effective Date .....	9
2.2 Term of Agreement .....	9
2.3 Termination .....	9
2.4 Termination Costs .....	10
2.5 Disconnection .....	10
2.6 Survival .....	10
ARTICLE 3. REGULATORY FILINGS .....	10
ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE .....	10
4.1 Provision of Service .....	10
4.2 No Transmission Delivery Service .....	11
4.3 No Other Services .....	11
ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION .....	11
5.1 Milestones .....	11
5.2 Power System Stabilizers .....	12
5.3 Limited Operation .....	12
5.4 Permits .....	12
5.5 Suspension .....	12
5.6 Tax Status; Non-Jurisdictional Entities .....	13
5.7 Modification .....	13
ARTICLE 6. TESTING AND INSPECTION .....	14
6.1 Pre-Commercial Operation Date Testing and Modifications .....	14
6.2 Post-Commercial Operation Date Testing and Modifications .....	14
6.3 Right to Observe Testing .....	14
6.4 Right to Inspect .....	14
ARTICLE 7. METERING .....	15
7.1 General .....	15
7.2 Standards .....	15
7.3 Testing of Metering Equipment .....	15
7.4 Metering Data .....	16
ARTICLE 8. COMMUNICATIONS .....	16
8.1 Con Edison Obligations .....	16
8.2 Remote Terminal Unit .....	16
ARTICLE 9. OPERATIONS .....	16
9.1 General .....	16
9.2 Operational Obligations .....	17
9.3 Con Edison Obligations .....	17
9.4 Start-Up and Synchronization .....	17

9.5	Real and Reactive Power Control and Primary Frequency Response .....	17
9.6	Outages and Interruptions .....	19

## SERVICE AGREEMENT NO. 2521

9.7	Use of Attachment Facilities by Third Parties .....	22
9.8	Disturbance Analysis Data Exchange.....	22
9.9	Phasor Measurement Units.....	22
ARTICLE 10. MAINTENANCE.....		23
10.1	Con Edison Obligations .....	23
10.2	Coordination .....	23
10.3	Secondary Systems .....	23
10.4	Operating and Maintenance Expenses.....	23
ARTICLE 11. PERFORMANCE OBLIGATION .....		24
11.1	Attachment Facilities .....	24
11.2	System Upgrade Facilities and System Deliverability Upgrades .....	24
11.3	Special Provisions for Affected Systems .....	24
11.4	Con Edison Compensation for Emergency Services.....	24
ARTICLE 12. EMERGENCIES .....		24
12.1	Obligations.....	24
12.2	Notice .....	24
12.3	NYISO and Con Edison Authority .....	25
12.4	Large Generating Facility.....	26
12.5	Limited Liability .....	26
ARTICLE 13. REGULATORY REQUIREMENTS AND GOVERNING LAW .....		26
13.1	Regulatory Requirements.....	26
13.2	Governing Law .....	26
ARTICLE 14. NOTICES .....		26
14.1	General .....	26
14.2	Alternative Forms of Notice.....	27
14.3	Operations and Maintenance Notice.....	27
ARTICLE 15. FORCE MAJEURE.....		27
ARTICLE 16. DEFAULT.....		27
16.1	General .....	27
16.2	Right to Terminate .....	28
ARTICLE 17. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE .....		28
17.1	Indemnity.....	28
17.2	No Consequential Damages .....	29
17.3	Insurance.....	30
ARTICLE 18. ASSIGNMENT .....		30
ARTICLE 19. SEVERABILITY .....		30
ARTICLE 20. COMPARABILITY .....		30
ARTICLE 21. CONFIDENTIALITY .....		31
21.1	Confidentiality .....	31
21.2	Term .....	31
21.3	Confidential Information.....	31
21.4	Scope .....	31
21.5	Release of Confidential Information.....	32
21.6	Rights.....	32

21.7	No Warranties .....	32
21.8	Standard of Care .....	32

## SERVICE AGREEMENT NO. 2521

21.9	Order of Disclosure .....	32
21.10	Termination of Agreement .....	33
21.11	Remedies .....	33
21.12	Disclosure to FERC, its Staff, or a State .....	33
21.13	Required Notices Upon Requests or Demands for Confidential Information .	34
ARTICLE 22. INFORMATION REQUIREMENT .....		34
22.1	Information Acquisition .....	34
22.2	Information Submission by Con Edison .....	34
22.3	Updated Information Submission by Con Edison .....	34
22.4	Information Supplementation .....	35
ARTICLE 23. INFORMATION ACCESS AND AUDIT RIGHTS .....		35
23.1	Information Access .....	35
23.2	Reporting of Non-Force Majeure Events .....	36
23.3	Audit Rights .....	36
23.4	Audit Rights Periods .....	36
ARTICLE 24. SUBCONTRACTORS .....		36
24.1	General .....	36
24.2	Responsibility of Principal .....	37
24.3	No Limitation by Insurance .....	37
ARTICLE 25. DISPUTES .....		37
25.1	Submission .....	37
25.2	External Arbitration Procedures .....	37
25.3	Arbitration Decisions .....	38
25.4	Costs .....	38
25.5	Termination .....	38
ARTICLE 26. REPRESENTATIONS, WARRANTIES AND COVENANTS .....		38
26.1	General .....	38
ARTICLE 27. MISCELLANEOUS .....		39
27.1	Binding Effect .....	39
27.2	Conflicts .....	39
27.3	Rules of Interpretation .....	39
27.4	Compliance .....	40
27.5	Joint and Several Obligations .....	40
27.6	Entire Agreement .....	40
27.7	No Third Party Beneficiaries .....	40
27.8	Waiver .....	41
27.9	Headings .....	41
27.10	Multiple Counterparts .....	41
27.11	Amendment .....	41
27.12	Modification by the Parties .....	41
27.13	Reservation of Rights .....	41
27.14	No Partnership .....	42
27.15	Other Transmission Rights .....	42



## **SERVICE AGREEMENT NO. 2521**

### Appendices





## **SERVICE AGREEMENT NO. 2521**

### **STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT**

#### **THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT**

("Agreement") is made and entered into this 26th day of March 2020, 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"), and Consolidated Edison Company of New York, Inc. a transportation corporation organized and existing under the laws of the State of New York ("Con Edison"). The NYISO or Con Edison each may be referred to as a "Party" or together referred to as the "Parties."

#### **RECITALS**

**WHEREAS**, NYISO operates the New York State Transmission System and Con Edison owns certain facilities included in the New York State Transmission System;

**WHEREAS**, Con Edison owns, controls, and operates the Generating Facility identified as a Large Generating Facility in Appendix C to this Agreement;

**WHEREAS**, the Generating Facility is presently participating in the NYISO-administered wholesale markets and provides steam services to Con Edison; and

**WHEREAS**, NYISO and Con Edison have agreed to enter into this Agreement in connection with the material increase to the nameplate capacity of the Large Generating Facility, which is interconnected with the New York State Transmission System;

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, it is agreed:

#### **ARTICLE 1. DEFINITIONS**

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the ISO OATT, Section 30.1 of Attachment X of the ISO OATT, Section 25.1.2 of Attachment S of the ISO OATT, the body of the LFIP or the body of this Agreement.

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

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

**Affected Transmission Owner** shall mean the New York public utility or authority (or its designated agent) other than Con Edison 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

## **SERVICE AGREEMENT NO. 2521**

Facilities are or will be installed pursuant to Attachment P, Attachment X, Attachment Z, or Attachment S to the ISO OATT.

**Affiliate** shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term “control” shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

**Ancillary Services** shall mean those services that are necessary to support the transmission of Capacity and Energy from resources to Loads while maintaining reliable operation of the New York State Transmission System in accordance with Good Utility Practice.

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

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

**Applicable Reliability Standards** shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which Con Edison's Large Generating Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that neither Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

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

**Base Case** shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by NYISO or Con Edison; described in Section 30.2.3 of the Standard Large Facility Interconnection Procedures.

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

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

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



## **SERVICE AGREEMENT NO. 2521**

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

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

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

**Capacity Resource Interconnection Service (“CRIS”)** shall mean the service provided by NYISO to Con Edison that satisfies the NYISO Deliverability Interconnection Standard or that is otherwise eligible to receive CRIS in accordance with Attachment S to the ISO OATT; such service being one of the eligibility requirements for participation as a NYISO Installed Capacity Supplier.

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

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

**Commercial Operation Date** of a unit shall mean the date on which the Large Generating Facility commences Commercial Operation as agreed to by the Parties, notice of which must be provided to the NYISO in the form of Appendix E-2 to this Agreement.

**Confidential Information** shall mean any information that is defined as confidential by Article 21 of this Agreement.

**Control Area** shall mean an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to: (1) match, at all times, the power output of the Generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the Load within the electric power system(s); (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice; (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and (4) provide sufficient generating capacity to maintain Operating Reserves in accordance with Good Utility Practice. A Control Area must be certified by the NPCC.

**Default** shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 16 of this Agreement.

## **SERVICE AGREEMENT NO. 2521**

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

**Distribution Upgrades** shall mean the additions, modifications, and upgrades to Con Edison's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of a Large Facility or Small Generating Facility and render the transmission service necessary to affect Con Edison's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades. Distribution Upgrades are sole use facilities and shall not include Stand Alone System Upgrade Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

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

**Emergency State** shall mean the condition or state that the New York State Power System is in when an abnormal condition occurs that requires automatic or immediate manual action to prevent or limit loss of the New York State Transmission System or Generators that could adversely affect the reliability of the New York State Power System.

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

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

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

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

**Force Majeure** shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.





## **SERVICE AGREEMENT NO. 2521**

**Generating Facility** shall mean Con Edison's device for the production of electricity identified in the Interconnection Request, but shall not include the Attachment Facilities or Distribution Upgrades.

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

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

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

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



## **SERVICE AGREEMENT NO. 2521**

**Initial Synchronization Date** shall mean the date upon which the Large Generating Facility is initially synchronized and upon which Trial Operation begins, notice of which must be provided to the NYISO in the form of Appendix E-1.

**In-Service Date** shall mean the date upon which Con Edison reasonably expects it will be ready to begin use of the Attachment Facilities to obtain back feed power.

**Interconnection Facilities Study** shall mean a study conducted by NYISO or a third party consultant for Con Edison to determine a list of facilities (including the Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Standard Large Facility Interconnection Procedures.

**Interconnection Facilities Study Agreement** (“Class Year Study Agreement”) shall mean the form of agreement contained in Appendix 2 of the Standard Large Facility Interconnection Procedures for conducting the Interconnection Facilities Study.

**Interconnection Request** shall mean Con Edison’s request, in the form of Appendix 1 to the Standard Large Facility Interconnection Procedures, in accordance with the Tariff, to interconnect a new Large Generating Facility to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility that is interconnected with the New York State Transmission System or with the Distribution System.

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

**Interconnection System Reliability Impact Study (“SRIS”)** shall mean an engineering study, conducted in accordance with Section 30.7 of the Standard Large Facility Interconnection Procedures, that evaluates the impact of the proposed Large Generating Facility on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities, Distribution Upgrades and System Upgrade Facilities are needed for the proposed Large Generating Facility of Con Edison to connect reliably to the New York State Transmission System or to the Distribution System in a manner that meets the NYISO Minimum Interconnection Standard in Attachment X to the ISO OATT.

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

**Large Generating Facility** shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.

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

## **SERVICE AGREEMENT NO. 2521**

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

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

**New York State Transmission System** shall mean the entire New York State electric transmission system, which includes (i) the Transmission Facilities Under ISO Operational Control; (ii) the Transmission Facilities Requiring ISO Notification; and (iii) all remaining transmission facilities within the New York Control Area.

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

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

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

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

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

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

**Party or Parties** shall mean NYISO or Con Edison, or both.

## **SERVICE AGREEMENT NO. 2521**

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

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

**Retired:** A Generator that has permanently ceased operating on or after May 1, 2015 either: i) pursuant to applicable notice; or ii) as a result of the expiration of its Mothball Outage or its ICAP Ineligible Forced Outage.

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

**Stand Alone System Upgrade Facilities** shall mean System Upgrade Facilities that Con Edison may construct without affecting day-to-day operations of the New York State Transmission System during their construction. NYISO and Con Edison must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to this Agreement.

**Standard Large Facility Interconnection Procedures (“Large Facility Interconnection Procedures” or “LFIP”)** shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in Attachment X of the ISO OATT.

**Standard Large Generator Interconnection Agreement (“LGIA”)** shall mean this Agreement, which is the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility, that is included in Appendix 3 to Attachment X of the ISO OATT.

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

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





## **SERVICE AGREEMENT NO. 2521**

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

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

**Trial Operation** shall mean the period during which Con Edison is engaged in on-site test operations and commissioning of the Large Generating Facility prior to Commercial Operation.

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

#### **2.1 Effective Date.**

This Agreement shall become effective upon execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO and Con Edison shall promptly file this Agreement with FERC upon execution in accordance with Article 3.

#### **2.2 Term of Agreement.**

Subject to the provisions of Article 2.3, this Agreement shall remain in effect for a period of twenty (20) years from the Effective Date and shall be automatically renewed for each successive one-year period thereafter.

#### **2.3 Termination.**

##### **Written Notice.**

████ Agreement may be terminated by Con Edison after giving the NYISO ninety (90) Calendar Days advance written notice, or by the NYISO and Con Edison notifying FERC after the Large Generating Facility is Retired.

##### **Default.**

Either Party may terminate this Agreement in accordance with Article 16.



**SERVICE AGREEMENT NO. 2521**

**Compliance.**

Notwithstanding Articles 2.3.1 and 2.3.2, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

**2.4 Termination Costs.**

If a Party elects to terminate this Agreement pursuant to Article 2.3.1 above, the terminating Party shall pay all costs incurred or charges assessed by the other Party, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the terminating Party under this Agreement. In the event of termination by a Party, both Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination.

**2.5 Disconnection.**

Upon termination of this Agreement, Con Edison will take all appropriate steps to disconnect the Large Generating Facility from the New York State Transmission System. All costs required to effectuate such disconnection shall be borne by Con Edison.

**2.6 Survival.**

This Agreement shall continue in effect after termination to the extent necessary to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect.

**ARTICLE 3. REGULATORY FILINGS**

NYISO and Con Edison shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Any information related to studies for interconnection asserted by Con Edison to contain Confidential Information shall be treated in accordance with Article 21 of this Agreement and Attachment F to the ISO OATT.

**ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE**

**4.1 Provision of Service.**

NYISO will provide Con Edison with interconnection service of the following type for the term of this Agreement.

**Product.**

NYISO will provide Energy Resource Interconnection Service and Capacity Resource Interconnection Service to Con Edison at the Point of Interconnection.

**SERVICE AGREEMENT NO. 2521**

**Con Edison** is responsible for ensuring that its actual Large Generating Facility output matches the scheduled delivery from the Large Generating Facility to the New York State Transmission System, consistent with the scheduling requirements of the NYISO's FERC-approved market structure, including ramping into and out of such scheduled delivery, as measured at the Point of Interconnection, consistent with the scheduling requirements of the ISO OATT and any applicable FERC-approved market structure.

**4.2 No Transmission Delivery Service.**

The execution of this Agreement does not constitute a request for, nor agreement to provide, any Transmission Service under the ISO OATT, and does not convey any right to deliver electricity to any specific customer or Point of Delivery. If Con Edison wishes to obtain Transmission Service on the New York State Transmission System, then Con Edison must request such Transmission Service in accordance with the provisions of the ISO OATT.

**4.3 No Other Services.**

The execution of this Agreement does not constitute a request for, nor agreement to provide Energy, any Ancillary Services or Installed Capacity under the NYISO Market Administration and Control Area Services Tariff ("Services Tariff"). If Con Edison wishes to supply Energy, Installed Capacity or Ancillary Services, then Con Edison will make application to do so in accordance with the NYISO Services Tariff.

**ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION**

**5.1 Milestones.**

Con Edison shall select the In-Service Date, Initial Synchronization Date, and Commence Operation Date; and the dates for completion of the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades as set forth in Appendix A hereto, and such dates shall be set forth in Appendix B hereto.

**Interconnection Facilities.**

Con Edison shall design, procure, and construct the Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades set forth in Appendix A hereto using Good Utility Practice, and in compliance with Applicable Laws and Regulations and with Applicable Reliability Standards. Con Edison shall design, procure, and construct the Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades, using Reasonable Efforts to complete the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades by the dates set forth in Appendix B hereto. Con Edison shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. Con Edison shall keep NYISO advised

periodically as to the progress of its efforts. In the event Con Edison reasonably expects that it will not be able to complete the Attachment Facilities and System Upgrade Facilities and System

## **SERVICE AGREEMENT NO. 2521**

Deliverability Upgrades by the specified dates, Con Edison shall promptly provide written notice to NYISO, and shall undertake Reasonable Efforts to meet the earliest dates thereafter. In no event shall the NYISO have any liability whatsoever to Con Edison for the design, procurement or construction of the Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades. Con Edison shall not transfer operational control of any Attachment Facilities and Stand Alone System Upgrade Facilities to the NYISO upon completion of such facilities.

### **5.2 Power System Stabilizers.**

Con Edison shall procure, install, maintain and operate Power System Stabilizers in accordance with the requirements identified in the Interconnection Studies conducted for Con Edison's Large Generating Facility. NYISO reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Con Edison shall immediately notify NYISO. The requirements of this paragraph shall not apply to wind generators.

### **5.3 Limited Operation.**

If any of the Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of Con Edison's Large Generating Facility, NYISO shall, upon the request and at the expense of Con Edison, in conjunction with Con Edison, perform operating studies on a timely basis to determine the extent to which Con Edison's Large Generating Facility may operate prior to the completion of the Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this Agreement. NYISO shall permit Con Edison to operate the Large Generating Facility and the Attachment Facilities in accordance with the results of such studies.

### **5.4 Permits.**

NYISO and Con Edison 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.

### **5.5 Suspension.**

Con Edison reserves the right, upon written notice to NYISO, to suspend at any time all work by Con Edison associated with the construction and installation of the Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades required for only Con Edison under this Agreement with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of Con Edison and NYISO.





## **SERVICE AGREEMENT NO. 2521**

In the event Con Edison suspends work required under this Agreement pursuant to this Article 5.5, and has not recommenced the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension, or the date of the written notice to the NYISO, if no effective date is specified.

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

#### **Tax Status.**

Each Party shall cooperate with the other Party to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the tax status of either Party, or the status of either Party with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

#### **Non-Jurisdictional Entities.**

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

### **5.7 Modification.**

#### **General.**

Con Edison may undertake modifications to its facilities covered by this Agreement. If Con Edison plans to undertake a modification, Con Edison shall provide to NYISO sufficient information regarding such modification so that NYISO may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. Con Edison shall provide the relevant drawings, plans, and specifications to NYISO at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Large Generating Facility modifications that do not require Con Edison to submit an Interconnection Request, the NYISO shall provide, within sixty (60) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the

New York State Transmission System, the Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades necessitated by such Con Edison modification and a good faith

## **SERVICE AGREEMENT NO. 2521**

estimate of the costs thereof. Con Edison shall be responsible for the cost of any such additional modifications, including the cost of studying the impact of the Con Edison modification.

### **Standards.**

Any additions, modifications, or replacements made to Con Edison's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

## **ARTICLE 6. TESTING AND INSPECTION**

### **6.1 Pre-Commercial Operation Date Testing and Modifications.**

Prior to the Commercial Operation Date, Con Edison shall test the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades and the Large Generating Facility to ensure their safe and reliable operation. Similar testing may be required after initial operation. Con Edison shall make any modifications to its facilities that are found to be necessary as a result of such testing. Con Edison shall bear the cost of all such testing and modifications. Con Edison shall generate test energy at the Large Generating Facility only if it has arranged for the injection of such test energy in accordance with NYISO procedures.

### **6.2 Post-Commercial Operation Date Testing and Modifications.**

Con Edison shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice and Applicable Reliability Standards as may be necessary to ensure the continued interconnection of the Large Generating Facility with the New York State Transmission System in a safe and reliable manner.

### **6.3 Right to Observe Testing.**

Con Edison shall notify the NYISO, in advance of its performance of tests of its Attachment Facilities. The NYISO, shall have the right, at its own expense, to observe such testing.

### **6.4 Right to Inspect.**

The NYISO shall have the right, but shall have no obligation to: (i) observe Con Edison's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of Con Edison's System Protection Facilities and other protective equipment; and (iii) review Con Edison's maintenance records relative to the Attachment Facilities, the System Protection Facilities and other protective equipment. NYISO may exercise these rights from time to time as it deems necessary upon reasonable notice to Con Edison. The exercise or non-exercise by NYISO of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Attachment Facilities or the System Protection Facilities or other protective equipment or the

operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same.  
Any information that NYISO obtains through the exercise of any of its rights under this Article

## **SERVICE AGREEMENT NO. 2521**

6.4 shall be treated in accordance with Article 21 of this Agreement and Attachment F to the ISO OATT.

### **ARTICLE 7. METERING**

#### **7.1 General.**

Con Edison shall comply with applicable requirements of NYISO and the New York Public Service Commission when exercising its rights and fulfilling its responsibilities under this Article 7. Unless otherwise agreed to by the NYISO approved meter service provider, Con Edison shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Net power flows including MW and MVAR, MWHR and loss profile data to and from the Large Generating Facility shall be measured at the Point of Interconnection. Con Edison shall provide metering quantities, in analog and/or digital form, as required, to NYISO upon request. Where the Point of Interconnection for the Large Generating Facility is other than the generator terminal, Con Edison shall also provide gross MW and MVAR quantities at the generator terminal. Con Edison shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

#### **7.2 Standards.**

Con Edison 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.**

Con Edison 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, Con Edison shall, at its expense, inspect or test Metering Equipment more frequently than every two (2) years. Con Edison shall give reasonable notice of the time when any inspection or test shall take place, and Con Edison 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 Con Edison's expense, in order to provide accurate metering. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Con Edison shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error. If the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment. The NYISO shall reserve the right to review all associated metering equipment installation on Con Edison's property at any time.



## **SERVICE AGREEMENT NO. 2521**

### **7.4 Metering Data.**

At Con Edison's expense, the metered data shall be telemetered to one or more locations designated by the Parties. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection.

## **ARTICLE 8. COMMUNICATIONS**

### **8.1 Con Edison Obligations.**

In accordance with applicable NYISO requirements, Con Edison shall maintain satisfactory operating communications with the NYISO. Con Edison shall provide standard voice line, dedicated voice line and facsimile communications at the Large Generating Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Con Edison shall also provide the dedicated data circuit(s) necessary to provide Con Edison data to NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the Large Generating Facility to the location(s) specified by Con Edison and NYISO. Any required maintenance of such communications equipment shall be performed by Con Edison. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

### **8.2 Remote Terminal Unit.**

Prior to the Initial Synchronization Date of the Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Con Edison 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 Article 8.1. The communication protocol for the data circuit(s) shall be specified by NYISO. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by NYISO.

Each Party will promptly advise the 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 Con Edison. Con Edison shall correct such error or malfunction as soon as reasonably feasible.

## **ARTICLE 9. OPERATIONS**

### **9.1 General.**

Each Party shall comply with Applicable Laws and Regulations and Applicable Reliability Standards. Each Party shall provide to the other Party all information that may



reasonably be required by the other Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

## **SERVICE AGREEMENT NO. 2521**

### **9.2 Operational Obligations.**

Con Edison and NYISO shall cause the New York State Transmission System and the Attachment Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this Agreement and the NYISO Tariffs. NYISO and Con Edison may provide operating instructions to Con Edison consistent with this Agreement, NYISO procedures and Con Edison's operating protocols and procedures as they may change from time to time. NYISO will consider changes to their respective operating protocols and procedures proposed by Con Edison.

### **9.3 Con Edison Obligations.**

Con Edison shall at its own expense operate, maintain and control the Large Generating Facility and the Attachment Facilities in a safe and reliable manner and in accordance with this Agreement. Con Edison shall operate the Large Generating Facility and the Attachment Facilities in accordance with NYISO and Con Edison 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. Either Party may request that the other Party provide copies of the requirements set forth or referenced in Appendix C hereto.

### **9.4 Start-Up and Synchronization.**

Con Edison is responsible for the proper synchronization of the Large Generating Facility to the New York State Transmission System in accordance with NYISO and Con Edison procedures and requirements.

### **9.5 Real and Reactive Power Control and Primary Frequency Response.**

#### **Power Factor Design Criteria.**

**9.5.1.1 Synchronous Generation.** Con Edison shall maintain effective composite power delivery of the Large Generating Facility at the Point of Interconnection within the existing reactive power capability range, in accordance with Good Utility Practice.

Con Edison shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

**9.5.1.2 Non-Synchronous Generation.** Con Edison shall design the Large Generating Facility to maintain composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the NYISO or Con Edison has established a different power factor range that applies to all non-synchronous generators in the Control Area or Con Edison's Transmission District (as applicable) on a comparable basis, in accordance with Good Utility Practice. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed

to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two.

## **SERVICE AGREEMENT NO. 2521**

This requirement shall only apply to newly interconnection non-synchronous generators that have not yet executed a Facilities Study Agreement as of September 21, 2016.

Con Edison shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

### **Voltage Schedules.**

Once Con Edison has synchronized the Large Generating Facility with the New York State Transmission System, NYISO shall require Con Edison to operate the Large Generating Facility to produce or absorb reactive power within the capability of the Large Generating Facility. NYISO's voltage schedules shall treat all sources of reactive power in the New York Control Area in an equitable and not unduly discriminatory manner. NYISO shall exercise Reasonable Efforts to provide Con Edison with such schedules in accordance with NYISO procedures, and may make changes to such schedules as necessary to maintain the reliability of the New York State Transmission System. Con Edison shall operate the Large Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the capability of the Large Generating Facility as directed by Con Edison's system operator or the NYISO. If Con Edison is unable to maintain the specified voltage or power factor, it shall promptly notify NYISO.

### **Payment for Reactive Power.**

NYISO shall pay Con Edison for reactive power or voltage support service that Con Edison provides from the Large Generating Facility in accordance with the provisions of Rate Schedule 2 of the NYISO Services Tariff.

### **Governors and Regulators.**

Whenever the Large Generating Facility is operated in parallel with the New York State Transmission System, the turbine speed governors and automatic voltage regulators shall be in automatic operation at all times. If the Large Generating Facility's speed governors or automatic voltage regulators are not capable of such automatic operation, Con Edison shall immediately notify NYISO, or its designated representative, and ensure that such Large Generating Facility's real and reactive power are within the design capability of the Large Generating Facility's generating unit(s) and steady state stability limits and NYISO system operating (thermal, voltage and transient stability) limits. Con Edison shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the New York State Transmission System or trip any generating unit comprising the Large Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the New York Control Area on a comparable basis.



## **SERVICE AGREEMENT NO. 2521**

### **9.6 Outages and Interruptions.**

#### **Outages.**

##### **9.6.1.1 Outage Authority and Coordination.**

Con Edison may, in accordance with NYISO procedures and Good Utility Practice, remove from service any of its Attachment Facilities or System Upgrade Facilities and System Deliverability Upgrades as necessary to perform maintenance or testing or to install or replace equipment. In all circumstances, Con Edison shall use Reasonable Efforts to minimize the effect of such removal.

##### **9.6.1.2 Outage Schedules.**

Con Edison shall post scheduled outages of its transmission facilities on the NYISO OASIS. Con Edison shall submit its planned maintenance schedules for the Large Generating Facility to NYISO for a minimum of a rolling thirty-six month period. Con Edison shall update its planned maintenance schedules as necessary. NYISO may direct Con Edison to reschedule its maintenance as necessary to maintain the reliability of the New York State Transmission System. Compensation to Con Edison for any additional direct costs that Con Edison incurs as a result of rescheduling maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Con Edison would have incurred absent the request to reschedule maintenance, shall be in accordance with the ISO OATT. Con Edison will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Con Edison had modified its schedule of maintenance activities other than at the direction of the NYISO.

##### **9.6.1.3 Outage Restoration.**

Con Edison shall provide NYISO, to the extent such information is known, information on the nature of any 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.

**Interruption of Service.** If required by Good Utility Practice or Applicable Reliability Standards to do so, the NYISO may require Con Edison to interrupt or reduce production of electricity if such production of electricity could adversely affect the ability of NYISO and Con Edison to perform such activities as are necessary to safely and reliably operate and maintain the New York State Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.6.2:

**9.6.2.1** The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

**9.6.2.2** Any such interruption or reduction shall be made on an equitable, nondiscriminatory basis with respect to all generating facilities directly connected to the New York State Transmission System;

## **SERVICE AGREEMENT NO. 2521**

**9.6.2.3** When the interruption or reduction must be made under circumstances which do not allow for advance notice, NYISO shall notify Con Edison by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

**9.6.2.4** Except during the existence of an Emergency State, when the interruption or reduction can be scheduled without advance notice, NYISO shall notify Con Edison in advance regarding the timing of such scheduling and further notify Con Edison of the expected duration. NYISO shall coordinate with Con Edison using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Con Edison and the New York State Transmission System;

**9.6.2.5** The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Large Generating Facility, Attachment Facilities, and the New York State Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

### **Under-Frequency and Over Frequency Conditions.**

The New York State Transmission System is designed to automatically activate a load-shed program as required by the NPCC in the event of an under-frequency system disturbance. Con Edison shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the NPCC to ensure “ride through” capability of the New York State Transmission System. Large Generating Facility response to frequency deviations of predetermined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the NYISO and Con Edison in accordance with Good Utility Practice. The term “ride through” as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the New York State Transmission System during system disturbance within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and with NPCC Regional Reliability Reference Directory # 12, or its successor.

### **System Protection and Other Control Requirements.**

**9.6.4.1 System Protection Facilities.** Con Edison shall, at its expense, install, operate and maintain any System Protection Facilities that may be required as a part of the Large Generating Facility or the Attachment Facilities or the New York State Transmission System as a result of the interconnection of the Large Generating Facility.

**9.6.4.2** The protection facilities of Con Edison shall be coordinated with other systems in accordance with Good Utility Practice and Applicable Reliability Standards.



**9.6.4.3** Con Edison shall be responsible for protection of its respective facilities consistent with Good Utility Practice and Applicable Reliability Standards.

## **SERVICE AGREEMENT NO. 2521**

**9.6.4.4** Con Edison's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6 of this Agreement. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of the Large Generating Facility.

**9.6.4.5** Con Edison will test, operate and maintain System Protection Facilities in accordance with Good Utility Practice, NERC and NPCC criteria.

**9.6.4.6** Prior to the In-Service Date, and again prior to the Commercial Operation Date, Con Edison shall 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, Con Edison shall 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.

### **Requirements for Protection.**

In compliance with NPCC requirements and Good Utility Practice, Con Edison shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Large Generating Facility to any short circuit occurring on the New York State Transmission System not otherwise isolated by Con Edison's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New York State Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the New York State Transmission System at a site selected by Con Edison. Con Edison shall be responsible for protection of the Large Generating Facility and Con Edison's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator out-of-field. Con Edison shall be solely responsible to disconnect the Large Generating Facility and Con Edison's other equipment if conditions on the New York State Transmission System could adversely affect the Large Generating Facility.

### **Power Quality.**

The facilities of Con Edison shall neither 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.



## **SERVICE AGREEMENT NO. 2521**

### **9.7 Use of Attachment Facilities by Third Parties.**

#### **Purpose of Attachment Facilities.**

Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among [REDACTED] parties, the Attachment Facilities shall be constructed for the sole purpose of interconnecting the Large Generating Facility to the New York State Transmission System and shall be used for no other purpose.

#### **Third Party Users.**

If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use the Attachment Facilities, or any part thereof, Con Edison will be entitled to compensation for the capital expenses it incurred in connection with the Attachment Facilities based upon the pro rata use of the Attachment Facilities by Con Edison and all third party users, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Attachment Facilities, will be allocated between Con Edison and any third party users based upon the pro rata use of the Attachment Facilities by Con Edison and all third party users, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

### **9.8 Disturbance Analysis Data Exchange.**

The Parties will cooperate with one another in the analysis of disturbances to either the Large Generating Facility or the New York State Transmission System by gathering and providing access to any information relating to any disturbance, including information from disturbance recording equipment, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

### **9.9 Phasor Measurement Units**

Con Edison shall install and maintain, at its expense, phasor measurement units ("PMUs") if it meets the following criteria: (1) completed a Class Year after Class Year 2017; and (2) proposes a new Large Facility that either (a) has a maximum net output equal to or greater than 100 MW or (b) requires, as Attachment Facilities or System Upgrade Facilities, a new substation of 230kV or above.

PMUs shall be installed on the Large Facility on the low side of the generator step-up transformer, unless it is a non-synchronous generation facility, in which case the PMUs shall be installed on the Con Edison side of the Point of Interconnection. The PMUs must be capable of performing phasor measurements at a minimum of 60 samples per second which are

synchronized via a high-accuracy satellite clock. To the extent Con Edison installs similar quality equipment, such as relays or digital fault recorders, that can collect data at least at the

## **SERVICE AGREEMENT NO. 2521**

same rate as PMUs and which data is synchronized via a high-accuracy satellite clock, such equipment would satisfy this requirement.

Con Edison shall be required to install and maintain, at its expense, PMU equipment which includes the communication circuit capable of carrying the PMU data to a local data concentrator, and then transporting the information continuously to the NYISO; as well as store the PMU data locally for thirty days. Con Edison shall provide to the NYISO all necessary and requested information through Con Edison's and the NYISO's synchrophasor system, including the following: (a) gross MW and MVAR measured at the Large Generating Facility side of the generator step-up transformer (or, for a non-synchronous generation facility, to be measured at the Large Generating Facility side of the Point of Interconnection); (b) generator terminal voltage and current magnitudes and angles; (c) generator terminal frequency and frequency rate of change; and (d) generator field voltage and current, where available; and (e) breaker status, if available. Con Edison will provide for the ongoing support and maintenance of the network communications linking the data concentrator to the NYISO, consistent with ISO Procedures detailing the obligations related to SCADA data.

## **ARTICLE 10. MAINTENANCE**

### **10.1 Con Edison Obligations.**

Con Edison shall maintain its transmission facilities, Large Generating Facility and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

### **10.2 Coordination.**

Con Edison shall keep NYISO fully informed of the preventive and corrective maintenance that is planned, and shall schedule all such maintenance in accordance with NYISO procedures.

### **10.3 Secondary Systems.**

Con Edison shall be responsible for 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. Con Edison shall provide advance notice 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, Con Edison shall be responsible for all expenses including overheads, associated with

## **SERVICE AGREEMENT NO. 2521**

owning, operating, maintaining, repairing, and replacing the Large Generating Facility, the Attachment Facilities, the System Upgrade Facilities, and System Deliverability Upgrades.

### **ARTICLE 11. PERFORMANCE OBLIGATION**

#### **11.1 Attachment Facilities.**

Con Edison shall design, procure, construct, install, own and/or control the Attachment Facilities described in Appendix A hereto, at its sole expense.

#### **11.2 System Upgrade Facilities and System Deliverability Upgrades.**

Con Edison shall design, procure, construct, install, and own the System Upgrade Facilities and System Deliverability Upgrades described in Appendix A hereto. The responsibility of Con Edison for costs related to System Upgrade Facilities and System Deliverability Upgrades shall be determined in accordance with the provisions of Attachment S to the ISO OATT.

#### **11.3 Special Provisions for Affected Systems.**

For the re-payment of amounts advanced to Affected System Operator for System Upgrade Facilities or System Deliverability Upgrades, Con Edison and Affected System Operator shall enter into an agreement that provides for such re-payment, but only if responsibility for the cost of such System Upgrade Facilities or System Deliverability Upgrades is not to be allocated in accordance with Attachment S to the ISO OATT. The agreement shall specify the terms governing payments to be made by Con Edison to the Affected System Operator as well as the re-payment by the Affected System Operator.

#### **11.4 Con Edison Compensation for Emergency Services.**

If, during an Emergency State, Con Edison provides services at the request or direction of the NYISO or Con Edison's Control Center, Con Edison will be compensated for such services in accordance with the NYISO Services Tariff.

### **ARTICLE 12. EMERGENCIES**

#### **12.1 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.

#### **12.2 Notice.**

NYISO shall notify Con Edison promptly when it becomes aware of an Emergency State that affects the Attachment Facilities or the New York State Transmission System that may



reasonably be expected to affect Con Edison's operation of the Large Generating Facility. Con Edison shall notify NYISO promptly when it becomes aware of an Emergency State that affects

## **SERVICE AGREEMENT NO. 2521**

the Large Generating Facility or the Attachment Facilities that may reasonably be expected to affect the New York State Transmission System. To the extent information is known, the notification shall describe the Emergency State, the extent of the damage or deficiency, the expected effect on the operation of Con Edison'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.

### **12.3 NYISO and Con Edison Authority.**

#### **General.**

NYISO or Con Edison may take whatever actions with regard to the New York State Transmission System or the Attachment Facilities it deems necessary during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the New York State Transmission System or the Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

NYISO and Con Edison shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility. NYISO or Con Edison may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency State by taking actions necessary and limited in scope to remedy the Emergency State, including, but not limited to, directing Con Edison to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 12.3.2; directing Con Edison to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Large Generating Facility and the Attachment Facilities. Con Edison shall comply with all of the NYISO's operating instructions concerning Large Generating Facility real power and reactive power output within the manufacturer's design limitations of the Large Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

#### **Reduction and Disconnection.**

NYISO or Con Edison may reduce Capacity Resource Interconnection Service and Energy Resource Interconnection Service or disconnect the Large Generating Facility or the Attachment Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to an Emergency State. These rights are separate and distinct from any right of Curtailment of NYISO pursuant to the ISO OATT. When NYISO can schedule the reduction or disconnection in advance, NYISO shall notify Con Edison of the reasons, timing and expected duration of the reduction or disconnection. NYISO shall coordinate with Con Edison using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Con Edison and the New York State Transmission System. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Large Generating Facility, the Attachment Facilities, and

the New York State Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

## **SERVICE AGREEMENT NO. 2521**

### **12.4 Large Generating Facility.**

Consistent with Good Utility Practice and this Agreement, Con Edison may take whatever actions or inactions with regard to the Large Generating Facility during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the Large Generating Facility, (iii) limit or prevent damage, and (iv) expedite restoration of service. Con Edison shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New York State Transmission System. NYISO shall use Reasonable Efforts to assist Con Edison in such actions.

### **12.5 Limited Liability.**

Except as otherwise provided in Article 11.4 of this Agreement, neither Party shall be liable to the other Party for any action it takes in responding to an Emergency State so long as such action is made in good faith and is consistent with Good Utility Practice and the NYISO Tariffs.

## **ARTICLE 13. REGULATORY REQUIREMENTS AND GOVERNING LAW**

### **13.1 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 Con Edison 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.

### **13.2 Governing Law.**

██████████ The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

This Agreement is subject to all Applicable Laws and Regulations.

Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

## **ARTICLE 14. NOTICES**

### **14.1 General.**

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Party and any instrument required or permitted to be

## **SERVICE AGREEMENT NO. 2521**

tendered or delivered by a Party in writing to the other Party 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.

### **14.2 Alternative Forms of Notice.**

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

### **14.3 Operations and Maintenance Notice.**

Con Edison shall notify the NYISO in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10 of this Agreement.

## **ARTICLE 15. FORCE MAJEURE**

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

**15.2** A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, (including obligations under Article 4 of this Agreement), other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party 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 16. DEFAULT**

### **16.1 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 Party. Upon a Breach, the non-Breaching Party shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days

## **SERVICE AGREEMENT NO. 2521**

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.

### **16.2 Right to Terminate.**

If a Breach is not cured as provided in this Article 16, or if a Breach is not capable of being cured within the period provided for herein, the 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 that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Article 16 will survive termination of this Agreement.

## **ARTICLE 17. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE**

### **17.1 Indemnity.**

Each Party (the “Indemnifying Party”) shall at all times indemnify, defend, and save harmless, as applicable, the other Party (the “Indemnified Party”) from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a “Loss”), arising out of or resulting from (i) the Indemnified Party’s performance 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.

#### **Indemnified Party.**

If a Party is entitled to indemnification under this Article 17 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article [REDACTED], to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

#### **Indemnifying Party.**

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



harmless under this Article 17, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

**SERVICE AGREEMENT NO. 2521**

**Indemnity Procedures.**

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 17.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include the Indemnified Party and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it 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 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.

**17.2 No Consequential Damages.**

Other than the liquidated damages heretofore described and the indemnity obligations set forth in Article 17.1, in no event shall either Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.



## **SERVICE AGREEMENT NO. 2521**

### **17.3 Insurance.**

Con Edison shall, at its own expense, maintain in force throughout the period of this Agreement insurance coverages for the Large Generating Facility in types and amounts consistent with its existing commercial practice for the generating facilities that it owns and operates and Good Utility Practice. Such insurance does not limit or qualify the liabilities and obligations assumed by Con Edison under this Agreement. Con Edison may self-insure this insurance obligation.

## **ARTICLE 18. ASSIGNMENT**

This Agreement may be assigned by a Party only with the written consent of the other Party; 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 Party in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, including the Attachment Facilities it owns, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that Con Edison shall have the right to assign this Agreement, without the consent of the NYISO for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Con Edison will promptly notify the NYISO of any such assignment. Any financing arrangement entered into by Con Edison pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO with proof that it meets the requirements of Article 17.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

## **ARTICLE 19. SEVERABILITY**

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

## **ARTICLE 20. COMPARABILITY**

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.



## **SERVICE AGREEMENT NO. 2521**

### **ARTICLE 21. CONFIDENTIALITY**

#### **21.1 Confidentiality.**

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 21.

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.

#### **21.2 Term.**

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 21, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

#### **21.3 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.

#### **21.4 Scope.**

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 21.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.



## **SERVICE AGREEMENT NO. 2521**

### **21.5 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 Con Edison, or to potential purchasers or assignees of a Con Edison, 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 21 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 21.

### **21.6 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 Party 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.

### **21.7 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 Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

### **21.8 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 Party under this Agreement or its regulatory requirements, including the ISO OATT and NYISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the ISO OATT.

### **21.9 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 either 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 Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order



or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to

## **SERVICE AGREEMENT NO. 2521**

obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

### **21.10 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 Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party pursuant to this Agreement.

### **21.11 Remedies.**

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 21. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 21, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 21, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 21.

### **21.12 Disclosure to FERC, its Staff, or a State.**

Notwithstanding anything in this Article 21 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 other Party 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 Party to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Party to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.



## **SERVICE AGREEMENT NO. 2521**

### **21.13 Required Notices Upon Requests or Demands for Confidential Information**

Except as otherwise expressly provided herein, neither Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the ISO OATT or the NYISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

## **ARTICLE 22. INFORMATION REQUIREMENT**

### **22.1 Information Acquisition.**

Con Edison shall submit specific information regarding the electrical characteristics of its respective facilities to NYISO, as described below and in accordance with Applicable Reliability Standards.

### **22.2 Information Submission by Con Edison.**

The initial information submission by Con Edison shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include New York State Transmission System information regarding selection of equipment necessary to meet any system protection and stability requirements. On a monthly basis Con Edison shall provide NYISO a status report on the construction and installation of the Attachment Facilities, System Upgrade Facilities and System Deliverability Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

### **22.3 Updated Information Submission by Con Edison.**

No later than one hundred eighty (180) Calendar Days prior to the Trial Operation, Con Edison shall also submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures. It shall also include any additional information provided for the Interconnection Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, Con Edison will work with a

consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

## **SERVICE AGREEMENT NO. 2521**

If Con Edison's data is different from what was originally provided to NYISO pursuant to an Interconnection Study Agreement and this difference may be reasonably expected to affect the other Con Edison facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then NYISO will conduct appropriate studies to determine the impact on the New York State Transmission System based on the actual data submitted pursuant to this Article 22.3. Such studies will provide an estimate of any additional modifications to the New York State Transmission System, the Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades based on the actual data and a good faith estimate of the costs thereof. Con Edison shall not begin Trial Operation until such studies are completed. Con Edison shall be responsible for the cost of any modifications required by the actual data, including the cost of any required studies.

### **22.4 Information Supplementation.**

Prior to the Commercial Operation Date, Con Edison shall supplement its information submissions described above in this Article 22 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. Con Edison shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Con Edison shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to the NYISO for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, Con Edison shall provide NYISO any information changes due to equipment replacement, repair, or adjustment, including any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent substation. Con Edison shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

## **ARTICLE 23. INFORMATION ACCESS AND AUDIT RIGHTS**

### **23.1 Information Access.**

Each Party (“Disclosing Party”) shall make available to the other Party (“Requesting Party”) information that is in the possession of the Disclosing Party and is necessary in order for

## **SERVICE AGREEMENT NO. 2521**

the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 23.1 of this Agreement and to enforce their rights under this Agreement.

### **23.2 Reporting of Non-Force Majeure Events.**

Each Party (the “Notifying Party”) shall notify the other Party 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.

### **23.3 Audit Rights.**

Subject to the requirements of confidentiality under Article 21 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other 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 State. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Party’s performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 23.4 of this Agreement.

### **23.4 Audit Rights Periods.**

Records related to a Party’s performance or satisfaction of its obligations under this Agreement shall be subject to audit for twenty-four months after the event for which the audit is sought.

## **ARTICLE 24. SUBCONTRACTORS**

### **24.1 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 Party for the performance of such subcontractor.





## **SERVICE AGREEMENT NO. 2521**

### **24.2 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 Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the NYISO or Con Edison be liable for the actions or inactions of Con Edison or its subcontractors with respect to obligations of the Con Edison under Article 5 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

### **24.3 No Limitation by Insurance.**

The obligations under this Article 24 will not be limited in any way by any limitation of subcontractor's insurance.

## **ARTICLE 25. DISPUTES**

### **25.1 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 Party 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 Party. 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 Party's 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.

### **25.2 External Arbitration Procedures.**

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators chosen by the Parties shall then jointly choose the third arbitrator for the three-member arbitration panel; provided, however, that, if they are unable to agree upon the third arbitrator, the arbitrators shall request the appointment of the third arbitrator by the American Arbitration Association. The arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with either party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein,

shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“Arbitration Rules”) and any applicable FERC regulations or

## **SERVICE AGREEMENT NO. 2521**

RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 25, the terms of this Article 25 shall prevail.

### **25.3 Arbitration Decisions.**

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

### **25.4 Costs.**

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) one-half the cost of the three arbitrators chosen to sit on the three-member panel; or (2) one-half the cost of the single arbitrator jointly chosen by the Parties.

### **25.5 Termination.**

Notwithstanding the provisions of this Article 25, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

## **ARTICLE 26. REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **26.1 General.**

Each Party makes the following representations, warranties and covenants:

#### **Good Standing.**

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the

transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

**SERVICE AGREEMENT NO. 2521**

**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 that 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).

**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.

**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 27. MISCELLANEOUS**

**27.1 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.

**27.2 Conflicts.**

If there is a discrepancy or conflict between or among the terms and conditions of this cover agreement and the Appendices hereto, the terms and conditions of this cover agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties. As permitted by the foregoing, the Parties expressly agree that the terms and conditions of the Appendices shall take precedence over the provisions of this cover agreement in case of a discrepancy or conflict between or among the terms or conditions of same.

**27.3 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

## **SERVICE AGREEMENT NO. 2521**

a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Large Facility Interconnection Procedures or such Appendix to the Standard Large Facility Interconnection Procedures, as the case may be; (6) “hereunder”, “hereof”, “herein”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, “from” means “from and including”, “to” means “to but excluding” and “through” means “through and including”.

### **27.4 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 either Party becomes aware of such a situation, it shall notify the other Party promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

### **27.5 Joint and Several Obligations.**

Except as otherwise stated herein, the obligations of NYISO and Con Edison are several, and are neither joint nor joint and several.

### **27.6 Entire Agreement.**

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party’s compliance with its obligations under this Agreement.

### **27.7 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.

## **SERVICE AGREEMENT NO. 2521**

### **27.8 Waiver.**

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Con Edison shall not constitute a waiver of Con Edison's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO in accordance with the provisions of the ISO OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

### **27.9 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.

### **27.10 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.

### **27.11 Amendment.**

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by both of the Parties.

### **27.12 Modification by the Parties.**

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by both of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

### **27.13 Reservation of Rights.**

NYISO and Con Edison shall have the right to make unilateral filings with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.



## **SERVICE AGREEMENT NO. 2521**

### **27.14 No Partnership.**

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

### **27.15 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 Con Edison shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the System Upgrade Facilities and System Deliverability Upgrades.



**SERVICE AGREEMENT NO. 2521**

**IN WITNESS WHEREOF**, the Parties have executed this LGIA in duplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

**New York Independent System Operator, Inc.**

By:

Name: \_\_\_\_\_

Title:

Date:

**Consolidated Edison Company of New York, Inc.**

By:

Name: \_\_\_\_\_

Title:

Date:

43

---

---

---

---

---

---

## **SERVICE AGREEMENT NO. 2521**

### **APPENDICES**

#### **Appendix A**

Attachment Facilities and System Upgrade Facilities

#### **Appendix B**

Milestones

#### **Appendix C**

Interconnection Details

#### **Appendix D**

Security Arrangements Details

#### **Appendix E-1**

Initial Synchronization Date

#### **Appendix E-2**

Commercial Operation Date

#### **Appendix F**

Addresses for Delivery of Notices



## **SERVICE AGREEMENT NO. 2521**

### **APPENDIX A**

#### **ATTACHMENT FACILITIES AND SYSTEM UPGRADE FACILITIES**

##### **1. Attachment Facilities:**

###### **(a) Existing Attachment Facilities:**

The Attachment Facilities (“AFs”) include all of the facilities between the Large Generating Facility and the Point of Interconnection (“POI”). As depicted in Figure A-1 to this Appendix A, the AFs consist of the following major electrical and physical equipment:

- a generator step up (“GSU”) GT-2, which is a three phase delta/wye grounded 18kV/69kV transformer with a rating of 132/176/230 MVA; and
- a circuit breaker GGT-2.

###### **(b) New Attachment Facilities:**

None.

##### **2. System Upgrade Facilities**

###### **(a) Existing System Upgrade Facilities**

None.

###### **(b) New System Upgrade Facilities**

None.

##### **3. System Deliverability Upgrades:**

None.

##### **4. Estimated Costs**

N/A.

A-1

**SERVICE AGREEMENT NO. 2521**

**Figure A-1**

**[CONTAINS CEII - THIS PAGE REMOVED FROM PUBLIC VERSION]**

A-2

## **SERVICE AGREEMENT NO. 2521**

### **APPENDIX B**

#### **MILESTONES**

None. As detailed in Appendix C, Con Edison's modification to its existing Large Generating Facility was completed in the Fall of 2014. The modified Large Generating Facility is in-service.

B-1

## SERVICE AGREEMENT NO. 2521

### APPENDIX C

#### INTERCONNECTION DETAILS

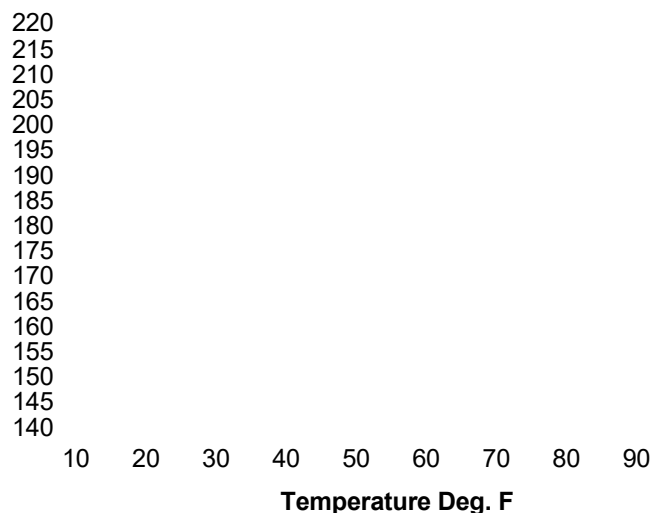
##### 1. Description of Large Generating Facility, including Point of Interconnection

Con Edison owns an existing 172MW natural gas fired combustion turbine electricity generation facility known as East River 2 (“Existing Facility”), which Large Generating Facility is part of the East River Generating Station located in the city of New York, New York. Con Edison installed GE Advanced Gas-Path (“AGP”) hardware and controls on the Existing Facility. The modification included the removal of the existing combustion and gas-path hardware, replacing them with AGP specific hardware, installing flow sensors on the gas control valves, and performing controls modification. The modification was completed in the fall of 2014. This modification increased the output of the Existing Facility by approximately 12 MW to a total of 184 MW (“New Facility”). The New Facility is temperature sensitive and has a maximum summer capability and a maximum winter capability, as specified below, and as depicted in the temperature output curve set forth below in Figure C-1.

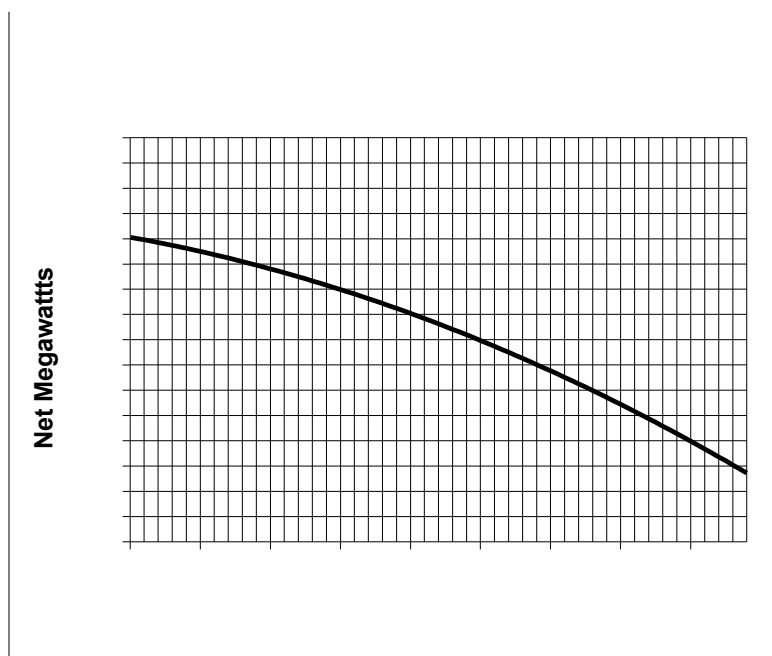
$$\begin{aligned} P_{\text{summer\_max\_gross}} @ T (0F) &= \underline{\underline{160.1}} \text{ MW } @ \underline{\underline{91}} \text{ } 0F \\ P_{\text{aux\_load}} &= \underline{\underline{4.9}} \text{ MW} \\ P_{\text{summer\_max\_net}} @ T (0F) &= P_{\text{summer\_max\_gross}} - P_{\text{aux\_load}} = 155.2 \\ \\ P_{\text{winter\_max\_gross}} @ T (0F) &= \underline{\underline{201.6}} \text{ MW } @ \underline{\underline{21}} \text{ } 0F \\ P_{\text{aux\_load}} &= \underline{\underline{5.8}} \text{ MW} \\ P_{\text{winter\_max\_net}} @ T (0F) &= P_{\text{winter\_max\_gross}} - P_{\text{aux\_load}} = 195.8 \end{aligned}$$

Figure C-1

#### East River CTG-2



C-1





## **SERVICE AGREEMENT NO. 2521**

The Point of Interconnection (“POI”) for the Large Generating Facility is the 69kV bus section 5-1 between circuit breakers BT 51-52, 51, F21, BT 5-9, and GGT-2, located at Con Edison’s East 13<sup>th</sup> Street Station. The Point of Interconnection is identified on the one-line diagram in Figure A-1 in Appendix A.

### **2. Operating Requirements**

- a. Con Edison must comply with all applicable NYISO tariffs and procedures, as amended from time to time.
- b. Con Edison must comply with its operating instructions and requirements, to the extent not inconsistent with the terms of this Agreement, the NYISO OATT, or applicable NYISO procedures.

### **3. Steam Operations**

In addition to providing electric energy, the Large Generating Facility also provides steam services that is utilized by Con Edison as a steam utility in New York City. When the Large Generating Facility is providing steam, certain operational requirement noted above need to be revised to accommodate the dual nature of the generating facility.

The requirement to procure, install, maintain, and operate Power System Stabilizes contained in Article 5.1 of this Agreement must also be consistent with the requirements to provide steam services to Con Edison. In addition, the power factor requirements in Article 9.5.1 of this Agreement and the voltage schedule requirements in Article 9.5.2 of this Agreement to produce and absorb reactive power shall be consistent with the requirements of the Con Edison steam system. The Con Edison generating facilities, including the New Facility, that provide steam to the Con Edison steam system are exempt from over and under generation to the extent provided in Sections 4.5, 5.12.1.11.2, and 15.3A.2.2 of the NYISO’s Services Tariff and Section 16.3.4.2.1.2 of the NYISO’s OATT.

The outage restoration requirements contains in Article 9.6 of this Agreement and the Emergency State procedures referenced in Article 12 of this Agreement may be impacted by an emergency on the Con Edison steam system. In addition, an outage restoration requirement or state emergency on the electric system can also impact the Con Edison steam system.

C-2

## **SERVICE AGREEMENT NO. 2521**

### **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, Con Edison, 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.

D-1

**SERVICE AGREEMENT NO. 2521**

**APPENDIX E-1**

**INITIAL SYNCHRONIZATION DATE**

**[Date]**

New York Independent System Operator, Inc.  
Attn: Vice President, Operations  
10 Krey Boulevard  
Rensselaer, NY 12144

Re: Large Generating Facility

Dear :

On **[Date]** Con Edison initially synchronized the Large Generating Facility [specify units, if applicable]. This letter confirms Con Edison's Initial Synchronization Date was [specify].

Thank you.

**[Signature]**

**[Con Edison Representative]**

E-1

---

---

**SERVICE AGREEMENT NO. 2521**

**APPENDIX E-2**

**COMMERCIAL OPERATION DATE**

**[Date]**

New York Independent System Operator, Inc.  
Attn: Vice President, Operations  
10 Krey Boulevard  
Rensselaer, NY 12144

Re: \_\_\_\_\_ Large Generating Facility

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

On **[Date]** Con Edison has completed Trial Operation of Unit No. \_\_\_\_\_. This letter confirms that Con Edison commenced Commercial Operation of Unit No. \_\_\_\_\_ at the Large Generating Facility, effective as of **[Date plus one day]**.

Thank you.

**[Signature]**

**[Con Edison Representative]**

E-2



## **SERVICE AGREEMENT NO. 2521**

### **APPENDIX F**

#### **ADDRESSES FOR DELIVERY OF NOTICES**

##### **Notices:**

##### NYISO:

New York Independent System Operator, Inc.  
Attn: Vice President, Operations  
10 Krey Boulevard  
Rensselaer, NY 12144  
Phone: (518) 356-6000  
Fax: (518) 356-6118

##### Con Edison:

Consolidated Edison Company of New York, Inc.  
4 Irving Place, Room 13 NW  
New York, NY 10003  
Attn: Vice President, System and Transmission Operations  
Phone: (212) 460-1210  
Fax: (212) 353-8831

##### **Alternative Forms of Delivery of Notices (telephone, facsimile or email):**

##### NYISO:

New York Independent System Operator, Inc.  
Attn: Vice President, Operations  
10 Krey Boulevard  
Rensselaer, NY 12144  
Phone: (518) 356-6000  
Fax: (518) 356-6118

##### Con Edison:

Consolidated Edison Company of New York, Inc.  
4 Irving Place, Room 13 NW  
New York, NY 10003  
Attn: Vice President, System and Transmission Operations  
Phone: (212) 460-1210  
Fax: (212) 353-8831

F-1