APPENDIX 2
INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of __________, 20__ by and
between __________, a __________ organized and existing under the laws of the State of __________
(“Interconnection Customer,”) and ISO New England Inc., a non-stock corporation existing under the
laws of the State of Delaware (“System Operator”), and __________, a __________ organized and
existing under the laws of the State of __________ (“Interconnecting Transmission Owner”) [and
__________, a __________ organized and existing under the laws of the State of __________
(“Interconnecting Transmission Owner”)]. Interconnection Customer, System Operator, and
Interconnecting Transmission Owner may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Interconnection Customer is proposing an Elective Transmission Upgrade
consistent with the Interconnection Request submitted by the Interconnection Customer dated
__________; and

WHEREAS, Interconnection Customer desires to interconnect the Elective Transmission
Upgrade to the Administered Transmission System; and

WHEREAS, Interconnection Customer has requested System Operator and Interconnecting
Transmission Owner(s) to perform an Interconnection Feasibility Study to assess the feasibility of
interconnecting the proposed Elective Transmission Upgrade to the Administered Transmission System,
and any Affected Systems.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have
the meanings indicated in the Commission-approved Elective Transmission Upgrade
Interconnection Procedures (“ETU IP”), or in the other provisions of the ISO New
England Inc. Transmission, Markets and Services Tariff (the “Tariff”).
2.0 Interconnection Customer elects and System Operator shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of the ETU IP in accordance with the Tariff.

3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The Interconnection Feasibility Study shall be based on the technical information provided by Interconnection Customer in Attachment B to the Interconnection Request, as may be modified as the result of the Scoping Meeting. System Operator and Interconnecting Transmission Owner reserve the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.3.4 of the ETU IP. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the ETU IP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.

5.0 The Interconnection Feasibility Study report shall provide the following information:

- preliminary identification of any circuit breaker or other facility short circuit capability limits exceeded as a result of the interconnection;
- preliminary identification of any thermal overload of any transmission facility or system voltage limit violations resulting from the interconnection;
- initial review of grounding requirements and electric system protection;
- preliminary description and non-binding estimated cost of and the time to construct the facilities required to interconnect the Elective Transmission Upgrade to the Administered Transmission System and to address the identified short circuit and power flow issues; and
- to the extent the Interconnection Customer requested a preliminary analysis as described in this Section 6.2 of the ETU IP, the report will also provide a list of potential upgrades that may be necessary for the Interconnection Customer’s Elective Transmission Upgrade to enable an Import Capacity Resource(s) to
qualify for participation in a Forward Capacity Auction under Section III.13 of the Tariff.

In accordance with the ETU IP, in performing the Interconnection Feasibility Study, System Operator and Interconnecting Transmission Owner shall coordinate with each other and Affected Parties, and shall receive and incorporate input from such entities into its study, and shall provide copies of the final study report to such entities.

6.0 The Interconnection Customer is providing herewith a deposit equal to 100 percent of the estimated cost of the study. The deposit shall be applied toward the cost of the Interconnection Feasibility Study and the development of this Interconnection Feasibility Study Agreement and its attachment(s). Interconnecting Transmission Owner’s and System Operator’s good faith estimate for the time of completion of the Interconnection Feasibility Study Agreement is [insert date].

The total estimated cost of the performance of the Interconnection Feasibility Study consists of $_____ which is comprised of the System Operator’s estimated cost of $_____ and the Interconnecting Transmission Owner’s estimated cost of $_____. Any difference between the deposit and the actual cost of the Interconnection Feasibility Study shall be paid by or refunded to the Interconnection Customer, as appropriate. Upon receipt of the Interconnection Feasibility Study System Operator and Interconnecting Transmission Owner shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study.

Interconnection Customer shall pay any invoiced amounts within thirty (30) Calendar Days of receipt of the invoice.

7.0 Miscellaneous.

7.1 Accuracy of Information. Except as a Party (“Providing Party”) may otherwise specify in writing when it provides information to the other Parties under this Agreement, the Providing Party represents and warrants that, to the best of its knowledge, the information it provides to the other Parties shall be accurate and complete as of the date the
information is provided. The Providing Party shall promptly provide the other Parties with any additional information needed to update information previously provided.

7.2 Disclaimer of Warranty. In preparing and/or participating in the Interconnection Feasibility Study, as applicable, each Party and any subcontractor consultants employed by it shall have to rely on information provided by the Providing Party, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, beyond the commitment to use Reasonable Efforts in preparing and/or participating in the Interconnection Feasibility Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Interconnection Feasibility Study), as applicable, no Party nor any subcontractor consultant employed by it makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy of the information considered in conducting the Interconnection Feasibility Study, the content of the Interconnection Feasibility Study, or the conclusions of the Interconnection Feasibility Study. Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

7.3 Force Majeure, Liability and Indemnification.

7.3.1 Force Majeure. Neither System Operator, Interconnecting Transmission Owner nor an Interconnection Customer will be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure; provided that no event of Force Majeure affecting any entity shall excuse that entity from making any payment that it is obligated to make hereunder. However, an entity whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and shall promptly notify the System Operator, the Interconnecting Transmission Owner or the Interconnection Customer, whichever is appropriate, of the commencement and end of each event of Force Majeure.
7.3.2 Liability. System Operator shall not be liable for money damages or other compensation to the Interconnection Customer for action or omissions by System Operator in performing its obligations under this Agreement, except to the extent such act or omission by System Operator is found to result from its gross negligence or willful misconduct. Interconnecting Transmission Owner shall not be liable for money damages or other compensation to the Interconnection Customer for action or omissions by Interconnecting Transmission Owner in performing its obligations under this Agreement, except to the extent such act or omission by Interconnecting Transmission Owner is found to result from its gross negligence or willful misconduct. To the extent the Interconnection Customer has claims against System Operator or Interconnecting Transmission Owner, the Interconnection Customer may only look to the assets of System Operator or Interconnecting Transmission Owner (as the case may be) for the enforcement of such claims and may not seek to enforce any claims against the directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either who, the Interconnection Customer acknowledges and agrees, have no personal or other liability for obligations of System Operator or an Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or an Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or Interconnection Customer be liable for any incidental, consequential, multiple or punitive damages, loss of revenues or profits, attorneys fees or costs arising out of, or connected in any way with the performance or non-performance under this Agreement. Notwithstanding the foregoing, nothing in this section shall diminish an Interconnection Customer’s obligations under the Indemnification section below.

7.3.3 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless System Operator and the Interconnecting Transmission Owner and their respective directors, officers, members, employees and agents from any and all damages, losses, claims and liabilities (“Losses”) by or to third parties arising out of or resulting from the performance by System Operator or
Interconnecting Transmission Owner under this Agreement, any bankruptcy filings made by the Interconnection Customer, or the actions or omissions of the Interconnection Customer in connection with this Agreement, except in the case of System Operator, to the extent such Losses arise from the gross negligence or willful misconduct by System Operator or its directors, officers, members, employees or agents, and, in the case of Interconnecting Transmission Owner, to the extent such Losses arise from the gross negligence or willful misconduct by Interconnecting Transmission Owner or its directors, officers, members, employees or agents. The amount of any indemnity payment hereunder shall be reduced (including, without limitation, retroactively) by any insurance proceeds or other amounts actually recovered by the indemnified party in respect of the indemnified action, claim, demand, cost, damage or liability. The obligations of Interconnection Customer to indemnify System Operator and Interconnecting Transmission Owner shall be several, and not joint or joint and several. The liability provisions of the Transmission Operating Agreement or other applicable operating agreements shall apply to the relationship between the System Operator and the Interconnecting Transmission Owner.

7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, the Parties agree that subcontractor consultants hired by them to conduct, participate in, or review, or to assist in the conducting, participating in, or reviewing of, an Interconnection Feasibility Study shall be deemed third party beneficiaries of Sections 7.2 and 7.3.

7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Interconnection Feasibility Study is completed. This Agreement shall automatically terminate upon the withdrawal of Interconnection Request under Section 3.6 of the ETU IP. The System Operator or the Interconnecting Transmission Owner may terminate this Agreement fifteen (15) days after providing written notice to the Interconnection Customer that it has breached one of its obligations hereunder, if the breach has not been cured within such fifteen (15) day period.
7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state where the Point of Interconnection is located without regard to any choice of laws provisions.

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

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

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

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

7.11 Independent Contractor. Each of the Parties shall at all times be deemed to be an independent contractor of the other Parties, and none of its employees or the employees of its subcontractors shall be considered to be employees of the other Parties as a result of this Agreement.

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

7.13 Successors and Assigns. This Agreement may not be assigned, by operation of law or otherwise, without the prior written consent of the other Parties hereto, such consent not to be unreasonably withheld. Notwithstanding the foregoing, this Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the
Parties hereto and their respective successors and assigns, to the extent the same are authorized hereunder.

7.14 Due Authorization. Each Party to this Agreement represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, that execution of this Agreement will not violate any other agreement with a third party, and that the person signing this Agreement on its behalf has been properly authorized and empowered to enter into this Agreement.
IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[System Operator]                                      [Insert name of Interconnection Customer]

By:_________________________________________                   By:_________________________________________
Title:_______________________________________                   Title:_______________________________________
Date:_______________________________________                   Date:_______________________________________

Interconnecting Transmission Owner

[Insert name of ITO]                                      [Insert name of ITO]

By:_________________________________________                   By:_________________________________________
Title:_______________________________________                   Title:_______________________________________
Date:_______________________________________                   Date:_______________________________________
ASSUMPTIONS USED IN CONDUCTING THE INTERCONNECTION FEASIBILITY STUDY

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on __________:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, System Operator, and Interconnecting Transmission Owner]