SCHEDULE 25

ELECTIVE TRANSMISSION UPGRADE INTERCONNECTION PROCEDURES

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SECTION I. DEFINITIONS.

The definitions contained in this section are intended to apply in the context of the Elective Transmission Upgrade interconnection process provided for in this Schedule 25 (and its appendices). To the extent that the definitions herein are different than those contained in Section I.2.2 of the Tariff, the definitions provided below shall control only for purposes of Elective Transmission Upgrade interconnections under this Schedule 25. Capitalized terms in Schedule 25 that are not defined in this Section I shall have the meanings specified in Section I.2.2 of the Tariff.

Administered Transmission System shall mean the PTF and the Non-PTF.

Adverse System Impact shall mean any significant negative effects on the stability, reliability or operating characteristics of the electric system.

Affected Party shall mean the entity that owns, operates or controls an Affected System, or any other entity operating outside of the New England Control Area that otherwise may be a necessary party to the interconnection process.

Affected System shall mean any electric system that is outside the New England Control Area that may be affected by the proposed interconnection.

Affected System Facilities Construction Agreement shall mean the agreement contained in Appendix 9 to this ETU IP that is made between Interconnecting Transmission Owner and Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on the New England Transmission System.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a generating facility to a transmission system outside of the New England Control Area that may cause the need for Affected System Network Upgrades on the New England Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to the New England Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New England-Transmission System.

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

Affected System Queue Position shall mean the queue position of an Affected System Interconnection Customer in System Operator's interconnection queue relative to System Operator's Interconnection Customers' Queue Positions.

Affected System Study shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system outside of the New England Control Area that have an impact on the New England-Transmission System, as described in Section 9 of this ETU IP.

Affected System Study Agreement shall mean the agreement contained in Appendix 7 to this ETU IP that is made between System Operator and Affected System Interconnection Customer to conduct an Affected System Study pursuant to Section 9 of this ETU IP.

Affected System Study Report shall mean the report issued following completion of an Affected System Study pursuant to Section 9.7 of this ETU IP.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

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.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the NPCC and the New England Control Area, including publicly available local reliability requirements of Interconnecting Transmission Owners or other Affected Parties or Internal Affected Parties.

Base Case shall have the meaning specified in Section 2.3.

Base Case Data shall mean the Base Case power flow, short circuit, and stability databases used for the Interconnection Studies by the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Elective Transmission Upgrade Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Elective Transmission Upgrade Interconnection Agreement.

Calendar Day shall mean any day including Saturday, Sunday or a Federal Holiday.

Capacity Capability Interconnection Standard ("CC Interconnection Standard") shall mean the criteria required to permit Interconnection Customer to interconnect a Generating Facility seeking Capacity Network Resource Interconnection Service or an Elective Transmission Upgrade seeking Capacity Network Import Interconnection Service in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the Generating Facility seeking Capacity Network Resource Interconnection Service or an Elective Transmission Upgrade seeking Capacity Network Import Interconnection Service, and in a manner that ensures intra-zonal deliverability by avoidance of the redispatch of other Capacity Network Resource or Elective Transmission Upgrades with Capacity Network Import Interconnection Service, as detailed in the ISO New England Planning Procedures.

Capacity Network Import Capability ("CNI Capability") shall mean the MW quantity associated with CNI Interconnection Service, calculated as described in Section II.48 of the Tariff.

Capacity Network Import Interconnection Service ("CNI Interconnection Service") shall mean, for an External Elective Transmission Upgrade that is a controllable Merchant Transmission Facility or Other Transmission Facility, the Interconnection Service selected by Interconnection Customer to interconnect its Elective Transmission Upgrade with the Administered Transmission System in accordance with the Capacity Capability Interconnection Standard. An Interconnection Customer's Capacity Network Import Interconnection Service shall be for the megawatt of Capacity Network Import Capability. Capacity Network Import Interconnection Service does not in and of itself convey transmission service.

Capacity Network Resource Group Study ("CNR Group Study") shall mean the study performed by the System Operator under Section III.13.1.1.2.3 of the Tariff to determine which resources qualify to participate in a Forward Capacity Auction.

Cluster shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting a Cluster Study, Cluster Interconnection System Impact Study, and Cluster Interconnection Facilities Study.

Cluster Enabling Transmission Upgrade ("CETU") shall mean new significant transmission line infrastructure that consists of AC transmission lines and related terminal equipment having a nominal voltage rating at or above 115 kV or HVDC transmission lines and HVDC terminal equipment that is identified through the Clustering Enabling Transmission Upgrade Regional Planning Study conducted in accordance with Attachment K, Section 2 of the Tariff. The CETU shall be considered part of an ETU Interconnection Related Upgrade and be categorized as Interconnection Facilities or Network Upgrades.

Cluster Enabling Transmission Upgrade Regional Planning Study ("CRPS") shall mean a study conducted by the System Operator under Attachment K, Section II of the Tariff to identify the Cluster Enabling Transmission Upgrade and associated system upgrades to enable the interconnection of Interconnection Requests for which the conditions identified in Section 4.2.1 have been triggered.

Cluster Interconnection Facilities Study ("CFAC") shall mean an Interconnection Facilities Study performed using Clustering pursuant to Section 4.2.4.

Cluster Interconnection System Impact Study ("CSIS") shall mean an Interconnection System Impact Study performed using Clustering pursuant to Section 4.2.3.

CETU Participation Deposit shall mean a Commercial Readiness Deposit as described in Section 4.2.

Cluster Request Window shall mean the time period set forth in Section 3.3.1 of this ETU IP.

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of this ETU IP.

Cluster Restudy Report Meeting shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 7.5 of this ETU IP.

Cluster Restudy Report shall mean the report issued following completion of a Cluster Restudy pursuant to Section 7.5 of this ETU IP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of this ETU IP.

Cluster Study Agreement shall mean the agreement contained in Appendix 2 to this ETU IP for conducting the Cluster Study.

Cluster Study Process shall mean the following processes, conducted in sequence: the Cluster Request Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies; and the Interconnection Facilities Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Section 7 of this ETU IP.

Cluster Study Report Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7 of this ETU IP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Sections 4.2.3, 4.2.4, and 7 of this ETU IP.

Commercial Operation shall mean the status of an Elective Transmission Upgrade that has commenced transmitting electricity, excluding performance during Trial Operation.

Commercial Operation Date shall mean the date on which the Elective Transmission Upgrade commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Elective Transmission Upgrade Interconnection Agreement

Commercial Readiness Deposit shall mean a deposit paid as set forth in Sections 3.4.2, 4.4.2, 5.1.1.3, 7.5, and 8.1 of this ETU IP.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise. Confidential

Information shall include, but not be limited to, information that is confidential pursuant to the ISO New England Information Policy.

Customer Engagement Window shall mean the time period set forth in Section 3.3.5 of this ETU IP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Elective Transmission Upgrade Interconnection Agreement.

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Interconnecting Transmission Owner's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Interconnecting Transmission Owner's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Elective Transmission Upgrade. Distribution Upgrades do not include Interconnection Facilities.

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

Elective Transmission Upgrade ("ETU") shall mean a new Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnecting to the Administered Transmission System, or an upgrade to an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is part of or interconnected to the Administered Transmission System for which Interconnection Customer has agreed to pay all of the costs of said Elective Transmission Upgrade and of any additions or modifications to the Administered Transmission System that are required to accommodate the Elective Transmission Upgrade. An Elective Transmission Upgrade shall not include a SATOA as defined in Section I of the Tariff. An Elective Transmission Upgrade is not

a Generator Interconnection Related Upgrade, a Regional Transmission Upgrade, or a Market Efficiency Transmission Upgrade.

Elective Transmission Upgrade Interconnection Agreement ("ETU IA") shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to an Elective Transmission Upgrade, that is included in this Schedule 25 to Section II of the Tariff.

Elective Transmission Upgrade Interconnection Procedures ("ETU IP") shall mean the interconnection procedures applicable to an Interconnection Request pertaining to an Elective Transmission Upgrade that are included in this Schedule 25 to Section II of the Tariff.

Electric Reliability Organization shall mean the North American Electric Reliability Corporation (NERC) or its successor organization.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is likely to endanger life or property; or (2) that, in the case of the Interconnecting Transmission Owner, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the New England Transmission System, Interconnecting Transmission Owner's Interconnection Facilities or any Affected System to which the New England Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Elective Transmission Upgrade or Interconnection Customer's Interconnection Facilities.

Engineering & Procurement ("E&P") Agreement shall mean an agreement that authorizes Interconnection Customer, Interconnecting Transmission Owner and any other Affected Party or Internal Affected Party to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

External Elective Transmission Upgrade ("External ETU") shall mean an Elective Transmission Upgrade that interconnects the New England Control Area with another Control Area.

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

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

Generating Facility is defined in Section I of Schedule 22 and Attachment 1 to Schedule 23 of Section II to the Tariff.

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 the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affiliate thereof.

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

In-Service Date shall mean the date upon which Interconnection Customer reasonably expects it will be ready to begin use of the Interconnecting Transmission Owner's Interconnection Facilities.

Interconnecting Transmission Owner shall mean Transmission Owner that owns, leases or otherwise possesses an interest in the portion of the Administered Transmission System at the Point of Interconnection and shall be a Party to the Elective Transmission Upgrade Interconnection Agreement. The term Interconnecting Transmission Owner shall not be read to include the System Operator, and may refer to one or more Transmission Owners in the case of an Internal Elective Transmission Upgrade.

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

Interconnection Customer shall mean any entity, including a transmission owner or its Affiliates or subsidiaries, that interconnects or proposes to interconnect its Elective Transmission Upgrade with the Administered Transmission System under the Elective Transmission Upgrade Interconnection Procedures.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Elective Transmission Upgrade Interconnection Agreement, that are separate and distinct from the Elective Transmission Upgrade and are located between the Elective Transmission Upgrade and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Elective Transmission Upgrade to the Administered Transmission System. Interconnection Customer's Interconnection Facilities may be sole use facilities or subject to shared use pursuant to arrangements filed with and approved by the Commission.

Interconnection Facilities shall mean the Interconnecting Transmission Owner's Interconnection Facilities and Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Elective Transmission Upgrade and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Elective Transmission Upgrade to the Administered Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the System Operator, Interconnecting Transmission Owner, or a third party consultant for Interconnection Customer to determine a list of facilities (including Interconnecting Transmission Owner's Interconnection Facilities and Network

Upgrades as identified in the Cluster Study, Cluster Restudy, or the Cluster Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Elective Transmission Upgrade with the Administered Transmission System. The scope of the study is defined in Section 8 of the Elective Transmission Upgrade Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 3 of the Elective Transmission Upgrade Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Report shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Section 8 of this ETU IP.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the ETU IP, in accordance with the Tariff, to: (i) interconnect a new Elective Transmission Upgrade to the Administered Transmission System; (ii) make a Material Modification to an Elective Transmission Upgrade with an outstanding Interconnection Request; (iii) increase the capability of an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected to the Administered Transmission System; (iv) make a Material Modification to the design or operating characteristics of an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected with the Administered Transmission System; or (v) change from NI Interconnection Service to CNI Interconnection Service for an Elective Transmission Upgrade that is eligible to request such services. Interconnection Request shall not include a request to interconnect to a transmission facility that is not part of the Administered Transmission System.

Interconnection Service shall mean the right to interconnect Interconnection Customer's Elective Transmission Upgrade to the Administered Transmission System at the Point of Interconnection pursuant to the terms of the Elective Transmission Upgrade Interconnection Agreement and, if applicable, the Tariff. For an External Elective Transmission Upgrade that is a controllable Merchant Transmission Facility or Other Transmission Facility, Interconnection Service shall include Capacity Network Import Interconnection Service or Network Import Interconnection Service.

Interconnection Study shall mean any of the following studies: the, the Cluster Interconnection System Impact Study, Cluster Interconnection Facilities Study, the Cluster Study, the Cluster Restudy, the

Interconnection Facilities Study, he Affected System Study, Optional Interconnection Study, and Material Modification assessment described in the Elective Transmission Upgrade Interconnection Procedures.
Interconnection Study Agreement shall mean any of the following agreements: the Affected System Study Agreement, the Cluster Study Agreement, , the Interconnection Facilities Study Agreement, and the Optional Interconnection Study Agreement attached to Elective Transmission Upgrade Interconnection Procedures.

Internal Affected Party shall mean the entity that owns, operates or controls an Internal Affected System, or any other entity operating within the New England Control Area that otherwise may be a necessary party to the interconnection process.

Internal Affected System shall mean any electric system that is within the New England Control Area, including, but not limited to, generator owned facilities that may be affected by the proposed interconnection.

Internal Elective Transmission Upgrade ("Internal ETU") shall mean an Elective Transmission Upgrade that interconnects solely within the New England Control Area.

IRS shall mean the Internal Revenue Service.

ETU IA Deposit shall mean the deposit Interconnection Customer submits when returning the executed ETU IAETUIA, or within ten (10) Business Days of requesting that the ETU IAETU IA be filed unexecuted at the Commission, in accordance with Section 11.3 of this ETU IPETU IP.

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from another Party's performance, or non-performance of its obligations under the Elective Transmission Upgrade Interconnection Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnifying Party.

Major Permits shall be as defined in Section III.13.1.1.2.2.2(a) of the Tariff.

Material Modification shall mean: (i) except as expressly provided in Section 4.4.1, those modifications to the Interconnection Request, including any of the technical data provided by Interconnection Customer in Appendix 1, Attachment A to the Interconnection Request or to the interconnection configuration, requested by Interconnection Customer, that either require significant additional study of the same Interconnection Request and could substantially change the interconnection design, or have a material impact (*i.e.*, an evaluation of the proposed modification cannot be completed in less than ten (10) Business Days) on the cost or timing of any Interconnection Studies or upgrades associated with an Interconnection Request with an equal or later Queue Position; (ii) a change to the design or operating characteristics of an existing Pool Transmission Facility, Merchant Transmission Facility, or Other Transmission Facility that is interconnected with the Administered Transmission System that may have a significant adverse effect on the reliability or operating characteristics of the New England Transmission System; or (iii) a delay to the Commercial Operation Date, In-Service Date, or Trial Operation Date of greater than three (3) years where the reason for delay is unrelated to construction schedules or permitting which delay is beyond Interconnection Customer's control.

Metering Equipment shall mean all metering equipment installed or to be installed pursuant to the Elective Transmission Upgrade Interconnection Agreement, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

Multiparty Affected System Facilities Construction Agreement shall mean the agreement contained in Appendix 12 to this ETU IP that is made among Interconnecting Transmission Owner and multiple Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on the New England Transmission System.

Multiparty Affected System Study Agreement shall mean the agreement contained in Appendix 8 to this ETU IP that is made among Interconnecting Transmission Owner, System Operator and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 9 of this ETU IP.

Network Capability Interconnection Standard ("NC Interconnection Standard") shall mean the minimum criteria required to permit Interconnection Customer to interconnect a Generating Facility seeking Network Resource Interconnection Service or Elective Transmission Upgrade seeking Network

Import Interconnection Service in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the Generating Facility seeking Network Resource Interconnection Service or Elective Transmission Upgrade seeking Network Import Interconnection Service, as detailed in the ISO New England Planning Procedures.

Network Import Capability ("NI Capability") shall mean the MW quantity associated with NI Interconnection Service, calculated as described in Section II.48 of the Tariff.

Network Import Interconnection Service ("NI Interconnection Service") shall mean the Interconnection Service selected by Interconnection Customer to interconnect its Elective Transmission Upgrade to the Administered Transmission System in accordance with the Network Capability Interconnection Standard. An Interconnection Customer's Network Import Interconnection Service shall be solely for the megawatt amount of the Network Import Capability. Network Import Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the New England Transmission System required at or beyond the Point of Interconnection to accommodate the interconnection of the Elective Transmission Upgrade to the Administered Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Elective Transmission Upgrade Interconnection Agreement or its performance.

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 4 of this ETU IP for conducting the Optional Interconnection Study.

Party shall mean the System Operator, Interconnection Customer and Interconnecting Transmission Owner or any combination of the above.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Elective Transmission Upgrade Interconnection Agreement, where the Elective Transmission Upgrade or

Interconnection Customer's Interconnection Facilities connect to the Interconnecting Transmission Owner's Interconnection Facilities.

Point of Interconnection shall mean the point(s), as set forth in Appendix A to the Elective Transmission Upgrade Interconnection Agreement, where the Interconnection Facilities connect to the Administered Transmission System.

Proportional Impact Method shall mean a technical analysis conducted by the System Operator to determine the degree to which each Generating Facility and/or Elective Transmission Upgrade in the Cluster Study contributes to the need for a specific System Network Upgrade.

Queue Position shall mean the order of a valid request in the New England Control Area, relative to all other pending requests in the New England Control Area, that is established based upon the date and time of receipt of such request by the System Operator. Requests are comprised of interconnection requests for Generating Facilities, Elective Transmission Upgrades, and requests for transmission service.

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

Regulatory Limitations shall mean a federal, state, Tribal, or local law that makes it practically infeasible to obtain Site Control within the time frame detailed in Section 3.3.2 of this ETU IP.

Scoping Meeting shall mean the meeting between representatives of the System Operator, Interconnection Customer(s), Interconnecting Transmission Owner(s), or any Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, conducted for the purpose of discussing the proposed Interconnection Requests and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.4 of this ETU IP, and analyzing such information.

Site Control shall mean the exclusive right to develop, construct, operate, and maintain the Elective Transmission Upgrade over the term of expected operation of the Elective Transmission Upgrade. Site Control of sufficient size to construct and operate may be demonstrated by documentation establishing: (a) that Interconnection Customer is the owner in fee simple of the real property or holds an easement for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection(s) within the New England Control Area; (b) that Interconnection Customer holds a valid written leasehold or other contractual interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; (c) that Interconnection Customer holds a valid written option to purchase or a leasehold interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; (d) that Interconnection Customer holds a duly executed written contract to purchase, acquire an easement, a license or a leasehold interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; or (e) that Interconnection Customer has filed applications for required permits to site on federal or state property where the Elective Transmission Upgrade's terminal locations will be located at the Point of Interconnection within the New England Control Area.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the New England Transmission System during their construction. System Operator, Interconnection Customer, Interconnecting Transmission Owner, and any Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Elective Transmission Upgrade Interconnection Agreement. If System Operator, Interconnecting Transmission Owner, and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, System Operator must provide Interconnection Customer a written technical explanation outlining why System Operator does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen (15) Business Days of its determination.

Study Case shall have the meaning specified in Sections 6.2 and 7.5 of this ETU IP.

Substation Network Upgrades shall mean Network Upgrades comprising breakers, bus positions, and associated equipment that are required at the substation located at the Point of Interconnection.

System Network Upgrades shall mean Network Upgrades that are required beyond the substations located at the Point of Interconnection.

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

Transitional Capacity Network Resource Group Study ("Transitional CNR Group Study") shall mean the study performed by the System Operator under Section III.13.1.1.2.3A of the Tariff and Section 5.1.1.3 of this ETU IP.

Transitional Cluster Study shall mean an Interconnection Study evaluating a Cluster of Interconnection Requests during the transition to the Cluster Study Process, as set forth in Section 5.1.1.2 of this ETU IP.

Transitional Cluster Study Agreement shall mean the agreement contained in Appendix 5 to this ETU IP that is made between System Operator and Interconnection Customer to conduct a Transitional Cluster Study pursuant to Section 5.1.1.2 of this ETU IP.

Transitional Cluster Study Report shall mean the report issued following completion of a Transitional Cluster Study pursuant to Section 5.1.1.2 of this ETU IP.

Transitional Serial Interconnection Facilities Study shall mean an Interconnection Facilities Study evaluating an Interconnection Request on a serial basis during the transition to the Cluster Study Process, as set forth in Section 5.1.1.1 of this ETU IP.

Transitional Serial Interconnection Facilities Study Agreement shall mean the agreement contained in Appendix 6 to this ETU IP that is made between System Operator and Interconnection Customer to conduct a Transitional Serial Interconnection Facilities Study pursuant to Section 5.1.1.1 of this ETU IP.

Transitional Serial Interconnection Facilities Study Report shall mean the report issued following completion of a Transitional Interconnection Facilities Study pursuant to Section 5.1.1.1 of this ETU IP.

Transitional Withdrawal Penalty shall mean the penalty assessed by System Operator to Interconnection Customer that has entered the Transitional Cluster Study or Transitional Serial Interconnection Facilities Study and chooses to withdraw or is deemed withdrawn from System Operator's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Transitional Withdrawal Penalty is set forth in Sections 5.1.1.1 and 5.1.1.2 of this ETU IP.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Elective Transmission Upgrade prior to Commercial Operation.

Trial Operation Date shall mean the date upon which the Elective Transmission Upgrade begins Trial Operation.

Withdrawal Penalty shall mean the penalty assessed by System Operator to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from System Operator's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 3.6.1 of this ETU IP.

SECTION 2. SCOPE, APPLICATION AND TIME REQUIREMENTS.

2.1 Application of Elective Transmission Upgrade Interconnection Procedures.

The ETU IP and ETU IA shall apply to Interconnection Requests pertaining to Elective Transmission Upgrades. Except as expressly provided in the ETU IP and ETU IA, nothing in the ETU IP or ETU IA shall be construed to limit the authority or obligations that Interconnecting Transmission Owner or System Operator, as applicable, has with regard to ISO New England Operating Documents.

2.2. Comparability.

System Operator shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this ETU IP. System Operator and Interconnecting Transmission Owner shall process and analyze Interconnection Requests from all Interconnection Customers, regardless of whether the ETU is owned by Interconnecting Transmission Owner, its subsidiaries or Affiliates, or others.

2.3 Base Case Data.

System Operator, Interconnecting Transmission Owner, and any Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, shall provide Base Case power flow, short circuit and stability databases, including all underlying assumptions, and contingency lists upon request to Interconnection Customer and any third party consultant retained by Interconnection Customer. For the purpose of this provision, Base Case Data may include the electromagnetic transient network model that does not include proprietary electromagnetic transient equipment models. The recipient(s) of such information shall be subject to the confidentiality provisions of Section 13.1 and the ISO New England Information Policy as well as any other applicable requirement under Applicable Laws and Regulations regulating disclosure or confidentiality of such information. System Operator is permitted to require that Interconnection Customer or third party consultant sign a confidentiality agreement before the release of information governed by Section 13.1 or the ISO New England Information Policy, or the release of any other information that is commercially sensitive or Critical Energy Infrastructure Information. Such databases and lists, hereinafter referred to as Base Cases, shall include all generation and transmission projects that are proposed for the New England Transmission System and any Affected System or Internal Affected System and for which a transmission expansion plan has been submitted and approved by the applicable authority and which, in the sole judgment of System Operator, may have an impact on the Interconnection Request. The Base Cases shall also include generation projects that are not participating in System Operator's interconnection process, but are expected to achieve approval pursuant to Section I.3.9 of the Tariff within 90 days from the date of the creation of the Base Cases and for which steady state, short circuit, stability and electromagnetic transient models for the generation projects and any associated system upgrades have been provided to System Operator. Interconnection Customer, where applicable, shall provide Base Case Data to Interconnecting Transmission Owner and System Operator to facilitate required Interconnection Studies.

System Operator shall provide a link to the secured location on its website that contains the information required under this Section 2.3 on System Operator's OASIS site. System Operator is permitted to require that Interconnection Customers or their third party consultants, OASIS site users, and users of the secured location on System Operator's website sign a confidentiality agreement before the release of information governed by Section 13.1 or the ISO New England Information Policy, or the release of any other information that is commercially sensitive or Critical Energy Infrastructure Information.

2.4 No Applicability to Transmission Service.

Nothing in this ETU IP shall constitute a request for, nor the provision of, any service except for Interconnection Service, including, but not limited to, transmission delivery service, local delivery

service, distribution service, capacity service, energy service or Ancillary Services under any applicable tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

2.5 Treatment of Elective Transmission Upgrades for Transmission, Operations, and Scheduling Purposes.

All ETUs must be categorized as PTF, Non-PTF, MTF or OTF. External ETUs will be treated for transmission, operations and scheduling purposes by the System Operator in a manner consistent with similarly situated PTF, Non-PTF, MTF or OTF under the Tariff. Internal ETUs will be operated and scheduled by the System Operator without recognition of physical transmission rights.

2.6 Time Requirements.

Parties that must perform a specific obligation under a provision of the ETU IP or ETU IA within a specified time period shall use Reasonable Efforts to complete such obligation within the applicable time period. A Party may, in the exercise of reasonable discretion and within the time period set forth by the applicable procedure or agreement, request that the relevant Party consent to a mutually agreeable alternative time schedule, such consent not to be unreasonably withheld.

SECTION 3. INTERCONNECTION REQUESTS.

3.1 General.

To initiate an Interconnection Request, Interconnection Customer must comply with all of the requirements set forth in Section 3.3.1. Interconnection Customer shall submit a separate Interconnection Request(s) for each Elective Transmission Upgrade of a: (a) specific technology to be interconnected at a designated Point of Interconnection for a specific capability; or (b) specific objective to facilitate the operation of specific Generating Facility(ies), including achieving CNR Interconnection Service, to increase transfer capability between two specific endpoints, or another specific and clearly defined discrete objective that the System Operator, at its sole discretion, determines that it is appropriate to propose in a single Interconnection Request. Interconnection Customer must comply with the requirements specified in Section 3.3.1 for each Interconnection Request even when more than one request is submitted.

Within three (3) Business Days after the close of the Cluster Request Window, System Operator shall submit a copy of all valid Interconnection Requests received to Interconnecting Transmission Owner(s).

Within three (3) Business Days after its receipt of a valid Interconnection Request, System Operator shall submit a copy of the Interconnection Request to Interconnecting Transmission Owner.

At Interconnection Customer's option, System Operator, Interconnection Customer, Interconnecting Transmission Owner, and any Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, will identify alternative Point(s) of Interconnection and configurations at a Scoping Meeting within the Customer Engagement Window to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Cluster Agreement. For purposes of Clustering of Interconnection Requests, System Operator, in its sole discretion, may propose changes to the requested Point(s) of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection. System Operator shall notify Interconnection Customers in writing of any intended changes to the requested Point(s) of Interconnection within the Customer Engagement Window, and the Point(s) of Interconnection shall only change upon mutual agreement of the involved parties.

Unless otherwise stated, all Commercial Readiness Deposits that must be submitted to the System Operator under this ETU IP must be (a) delivered to the System Operator's bank account by electronic transfer, (b) through the provision and maintenance of an irrevocable letter of credit in the form and from a financial institution acceptable to System Operator and included on the List of Commercial Readiness Deposit Eligible Letter of Credit Issuers, as described on the System Operator's public website, (c) a surety bond in a form and from an institution acceptable to System Operator and included on the List of Eligible Commercial Readiness Deposit Surety Bond Issuers, as described on the System Operator's public website or (d)) a combination thereof. Each letter of credit or surety bond must specify the Interconnection Request to which it corresponds. Further, notwithstanding Section 5 of this ETU IP to the contrary, an Interconnection Customer may replace the acceptable forms of Commercial Readiness Deposits provided therein with a surety bond any time after such form is deemed acceptable by the System Operator. All costs associated with obtaining a letter of credit or surety bond shall be borne by Interconnection Customer. In the event that System Operator identifies an administrative deficiency with a submitted letter of credit or surety bond, Interconnection Customer shall have ten (10) Business Days to cure the deficiency.

If the System Operator removes the financial institution from the list, Interconnection Customer shall have ten (10) Business Days from the date on which System Operator provides notice of such removal to replace the letter of credit or surety bond with a letter of credit or surety bond from a financial institution on the list. The System Operator may extend this cure period in its sole discretion. Failure to cure a deficiency within the periods prescribed in this Section 3.1 shall result in the withdrawal of the Interconnection Request pursuant to Section 3.6 of the ETU IP without further opportunity to cure. System Operator shall only provide refunds and/or distribute funds held as part of a Commercial Readiness Deposit to the extent that there are sufficient funds available from the applicable form of financial security.

All other deposits that must be submitted to the System Operator under this ETU IP must be made in cash and delivered to System Operator's bank account by electronic transfer within the period specified in the respective provision.

A deposit will not be considered received until it is in System Operator's bank account or, in the case of a of a letter of credit, or surety bond, provided as a Commercial Readiness Deposit, the letter of credit, or surety bond, is provided to System Operator. Deposits that must be submitted to Interconnecting Transmission Owner shall be submitted in a form acceptable to Interconnecting Transmission Owner.

3.2 Type of Interconnection Services.

Interconnection Service for all Elective Transmission Upgrades is the right to interconnect Interconnection Customer's Elective Transmission Upgrade to the Administered Transmission System at the Point(s) of Interconnection pursuant to the terms of the Elective Transmission Upgrade Interconnection Agreement and, if applicable, the Tariff. For an External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility, Interconnection Service shall include CNI Interconnection Service or NI Interconnection Service. An External ETU Merchant Transmission Facility or Other Transmission Facility is a controllable facility if it employs technology that, in the judgment of System Operator, enables full control over the direction and amount of power flow on the Elective Transmission Upgrade without adjusting the dispatch of resources within or outside of the New England Control Area, and can be scheduled, curtailed and operated independently from any other interface that interconnects the New England Control Area with another Control Area.

An External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility seeking to import capacity and/or energy into the New England Control Area must select either CNI

Interconnection Service or NI Interconnection Service at the time the Interconnection Request is submitted, as described in Sections 3.2.1 and 3.2.2 below. An Interconnection Customer that meets the requirements to obtain CNI Interconnection Service shall obtain NI Interconnection Service up to the NI Capability upon completion of all requirements for NI Interconnection Service, including all necessary upgrades. Upon completion of all requirements for the CNI Interconnection Service, Interconnection Customer shall also receive CNI Interconnection Service for CNI Capability. An Interconnection Customer that meets the requirements to obtain NI Interconnection Service shall receive NI Interconnection Service for Interconnection Customer's NI Capability.

Interconnection Studies for Elective Transmission Upgrades shall assure that Interconnection Customer's Elective Transmission Upgrade interconnects to the Administered Transmission System consistent with the objectives specified in the ETU Interconnection Request and in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the Elective Transmission Upgrade.

3.2.1 Capacity Network Import Interconnection Service.

3.2.1.1 The Product.

System Operator must conduct the necessary studies in conjunction with Interconnecting Transmission Owner, and other Affected Parties as appropriate and in accordance with applicable codes of conduct and confidentiality requirements, and Interconnecting Transmission Owner and other Affected Parties as appropriate must construct the Network Upgrades needed to interconnect the External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility under the CC Interconnection Standard. CNI Interconnection Service allows Interconnection Customer's External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility to enable the participation of an Import Capacity Resource in the New England Markets, in accordance with Market Rule 1, Section III of the Tariff, up to the CNI Capability or as otherwise provided in the Tariff.

3.2.1.2 The Studies.

All Interconnection Studies for CNI Interconnection Service shall assure that Interconnection Customer's External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility satisfies the minimum characteristics required to interconnect in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System,

including protecting against the degradation of transfer capability for interfaces affected by the facility. For Interconnection Requests seeking to achieve CNI Capability by obtaining a Capacity Supply Obligation through an auction in the Forward Capacity Market prior to September 4, 2025, the CNR Group Study shall assure that Interconnection Customer's External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility can be interconnected in a manner that ensures intra-zonal deliverability by avoidance of the redispatch of other Capacity Network Resources and Elective Transmission Upgrades with CNI Interconnection Service, in accordance with the CC Interconnection Standard and as detailed in the ISO New England Planning Procedures. For all other Interconnection Requests, the intra-zonal deliverability analysis shall be performed as part of the Transitional Cluster Study or Cluster Study. System Operator, in coordination with Interconnecting Transmission Owner, may also study the New England Transmission System under non-peak load conditions. However, upon request by Interconnection Customer, System Operator, and as appropriate, Interconnecting Transmission Owner must explain in writing to Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.2.1.3 Milestones for Capacity Network Import Interconnection Service.

In addition to the requirements set forth in this ETU IP, to achieve CNI Interconnection Service through an auction in the Forward Capacity Market prior to September 4, 2025, an Interconnection Customer with an Interconnection Request for CNI Interconnection Service or its counterparty (i.e., Import Capacity Resource), as applicable, shall complete the following milestones prior to receiving CNI Interconnection Service for the CNI Capability, such milestones to be specified in Appendix B of the ETU IA, as either completed or to be completed: (i) submit the necessary requests for participation in the Forward Capacity Auction associated with the Elective Transmission Upgrade's Commercial Operation Date (except as modified pursuant to Sections 3.2.3 or 4.4 of the ETU IP) in accordance with the provisions of Section III.13 of the Tariff; (ii) participate in a CNR Group Study for the Forward Capacity Auction associated with the requested Elective Transmission Upgrade's Commercial Operation Date; (iii) qualify and receive a Capacity Supply Obligation in accordance with Section III.13 of the Tariff; and (iv) complete a re-study of the applicable Interconnection Study and CNR Group Study after the Forward Capacity Auction, Reconfiguration Auction, or bilateral transaction through which Interconnection Customer's counterparty received a Capacity Supply Obligation to determine the cost responsibility for facilities and upgrades necessary to accommodate the Interconnection Request. The re-study shall include those CNR Interconnection Service and CNI Interconnection Service Interconnection Requests with a higher Queue Position that cleared and shall exclude any upgrades that are no longer necessary as a result of existing capacity that will be retired as of the start of the Capacity Commitment Period for which the resource of

Interconnection Customer's counterparty received a Capacity Supply Obligation. With respect to (iv) above, if an Interconnection Study Agreement has been executed, the Interconnection Study associated with the Interconnection Study Agreement shall include the necessary analysis that would otherwise have been performed in a re-study. If the original Interconnection Study is complete and the final invoice has been issued, the re-study shall be performed under a new Interconnection Study Agreement. If an ETU IA has been either executed or filed with the Commission in unexecuted form, then the last Interconnection Study completed for Interconnection Customer under this ETU IP shall be subject to re-study. The Appendices to the ETU IA shall be amended (pursuant to Article 30 of the ETU IA) to reflect CNI Capability and the results of the re-study.

After September 4, 2025, an Interconnection Customer with an Interconnection Request for CNR Interconnection Service shall complete the requirements in this ETU IP prior to receiving CNR Interconnection Service. Interconnection Customers with Interconnection Requests for CNI Interconnection Service shall complete the intra-zonal deliverability assessment by electing to participate in the Transitional CNR Group Study, Transitional Cluster Study or submit a new Interconnection Request for CNI Interconnection Service during the applicable Cluster Entry Window to participate and complete a Cluster Study. Any Interconnection Customer with a valid Interconnection Request for CNR Interconnection Service that has a completed Interconnection System Impact Study on or before April 4, 2025, but that has not received a Capacity Supply Obligation through the eighteenth Forward Capacity Auction or an earlier auction may: 1) seek to complete the process for obtaining CNR Interconnection Service through the process described in Section III.13.1.1.2A of the Tariff or 2) seek to complete the process for obtaining CNR Interconnection Service through the Transitional Cluster Study. Notwithstanding any other provision of the Tariff, an Interconnection Customer may seek to participate in both the process described in Section III.13.1.1.2A of the Tariff and the Transitional Cluster Study simultaneously. If Interconnection Customer achieves CNR Interconnection Service through Section III.13.1.1.2A, it may withdraw from the Transitional Cluster Study without penalty and be refunded any remaining study deposits associated with the Transitional Cluster Study. If Interconnection Customer does not enter, or complete, the process described in either Section III.13.1.1.2A or the Transitional Cluster Study, the System Operator shall reduce Interconnection Customer's Interconnection Request to NR Interconnection Service.

3.2.2 Network Import Interconnection Service.

3.2.2.1 The Product.

System Operator must conduct the necessary studies in conjunction with Interconnecting Transmission Owner, and other Affected Parties as appropriate and in accordance with applicable codes of conduct and confidentiality requirements, and Interconnecting Transmission Owner and other Affected Parties as appropriate must construct the Network Upgrades needed to interconnect a controllable Merchant Transmission Facility or Other Transmission Facility External ETU under the NC Interconnection Standard. Notwithstanding the above, the portion of a controllable Merchant Transmission Facility or Other Transmission Facility External ETU that has been interconnected under the NC Interconnection Standard cannot be used to support an Import Capacity Resource'(s') participation in the Forward Capacity Market under Section III.13 of the Tariff, except pursuant to a new Interconnection Request for CNI Interconnection Service.

3.2.2.2 The Studies.

The Interconnection Studies for an External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility shall assure that Interconnection Customer's External ETU satisfies the minimum characteristics required to interconnect in a manner that avoids any significant adverse effect on reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the unit, in accordance with the NC Interconnection Standard and as detailed in the ISO New England Planning Procedures. The System Operator, in coordination with the Interconnecting Transmission Owner, may also study the New England Transmission System under non-peak load conditions. However, upon request by Interconnection Customer, the System Operator and as appropriate the Interconnecting Transmission Owner must explain in writing to Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.2.2.3 Milestones for Network Import Interconnection Service.

An Interconnection Customer with an Interconnection Request for NI Interconnection Service shall complete the requirements in this ETU IP prior to receiving NI Interconnection Service.

3.3 Valid Interconnection Request.

3.3.1 Cluster Request Window.

System Operator shall accept Interconnection Requests during a forty-five (45) Calendar Day period (the Cluster Request Window). The initial Cluster Request Window shall open for Interconnection Requests sixty (60) Calendar Days after conclusion of the 360-day transition process set forth in Section 5.1 of this

ETU IP. All subsequent Cluster Request Windows shall open sixty (60) Calendar Days after the Cluster Study Results Meeting or Cluster Restudy Results Meeting (as appropriate). System Operator shall provide notice via posting on its public website at least thirty (30) Calendar Days, prior to each respective Cluster Request Window opening.

3.3.1.1 Study Deposits.

Interconnection Customer shall submit to System Operator, during a Cluster Request Window, an Interconnection Request in the form of Appendix 1 to this ETU IP, a potentially non-refundable initial deposit of $50,000, and a refundable cluster study deposit of $250,000. System Operator shall apply the initial deposit toward the costs incurred by the System Operator associated with the Interconnection Request, the cost of developing the study agreements and their attachments, and the cost of developing the ETUIA. The study deposit shall be applied toward the cost of the Cluster Study Process.

3.3.2 Initiating an Interconnection Request.

An Interconnection Customer seeking to join a Cluster shall submit its Interconnection Request to System Operator within, and no later than the close of, the Cluster Request Window. Interconnection Requests submitted outside of the Cluster Request Window will not be considered. To initiate and establish a valid Interconnection Request, Interconnection Customer must submit all of the following to the System Operator in the manner specified in Appendix 1 Interconnection Request to this ETU IP: (i) a potentially non-refundable initial deposit of $50,000, (ii) a completed application in the form of Appendix 1, (iii) all information and deposits required under Section 3.3, (iv) in the case of a request for CNI Interconnection Service a demonstration of one-hundred percent (100%) Site Control for any HVDC terminals associated with the ETU; and (v) in the case of NI Interconnection Service, a demonstration of no less than one-hundred percent (100%) Site Control or (1) a signed affidavit from an officer of Interconnection Customer indicating that Site Control is unobtainable due to Regulatory Limitations as such term is defined by the System Operator; and (2) documentation sufficiently describing and explaining the source and effects of such Regulatory Limitations, including a description of any conditions that must be met to satisfy the Regulatory Limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements and (3) a cash deposit in lieu of Site Control of $10,000 per MW, subject to a minimum of $500,000 and a maximum of $2,000,000. Interconnection Customer shall also be required to provide a Commercial Readiness Deposit equal to two times the study deposit described in Section 3.1.1.1 of this ETU IP in the form of an irrevocable letter of credit, a surety bond, or cash. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.6 of this ETU IP. Interconnection Customer shall also provide a Point of Interconnection, and; if applicable, whether the Interconnection Request shall be studied for Network Import Interconnection Service or

Capacity Network Import Interconnection Service, consistent with this ETU IP. Upon making this selection, an Interconnection Customer requesting CNI Interconnection Service may request that System Operator reduce the Interconnection Request from CNI Interconnection Service to NI Interconnection Service if the System Operator identifies thermal violations in the analysis associated with CNI Interconnection Service testing conditions that are not identified in the analysis associated with the NI Interconnection Service testing conditions for the Interconnection Request. System Operator will notify Interconnection Customer that its Interconnection Request has been reduced to NI Interconnection Service, and list the thermal violations identified in the analysis associated with CNI Interconnection Service testing conditions in the Cluster Study Report.

An Interconnection Customer that submits a deposit in lieu of Site Control due to demonstrated Regulatory Limitations must demonstrate that it is taking identifiable steps to secure the necessary regulatory approvals from the applicable federal, state, and/or tribal entities before execution of the Cluster Study Agreement. Such deposit will be held by System Operator until Interconnection Customer provides the required Site Control demonstration for its Elective Transmission Upgrade in the Cluster Study Process. Interconnection Customers facing qualifying Regulatory Limitations must demonstrate one-hundred percent (100%) Site Control within one-hundred eighty (180) Calendar Days of the effective date of the ETU IA.

Interconnection Customer shall promptly inform System Operator of any material change to Interconnection Customer's demonstration of Site Control under Section 3.3.2(iv) of this ETU IP. If System Operator determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, System Operator shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to System Operator's approval. Absent such, System Operator shall deem the Interconnection Request withdrawn pursuant to Section 3.6 of this ETU IP without further opportunity to cure.

Interconnection Customer does not need to demonstrate Site Control where the Interconnection Request is for (i) a modification to Interconnection Customer's existing Pool Transmission Facility, Merchant Transmission Facility, or Other Transmission Facility and Interconnection Customer has certified in the Interconnection Request that it has Site Control and that the modification proposed in the Interconnection Request does not require additional real property, or (ii) a modification to existing Pool Transmission Facility that is not owned by Interconnection Customer.

The portions of the deposit of $50,000 that have not been applied as provided in this Section 3.3.1 shall be refundable if the Interconnection Customer executes an ETU IA. Otherwise, any unused balance of the deposit of $50,000 shall be non-refundable and applied on a pro-rata basis to offset costs incurred by Interconnection Customers that are subject to re-study, as determined by the System Operator in accordance with the provisions of this ETU IP, as a result of the withdrawal of an Interconnection Request within the same Cluster.

The expected Trial Operation Date of the new Elective Transmission Upgrade, or the increase in capability of an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility interconnected to the Administered Transmission System, or of the implementation of a Material Modification to an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected to the Administered Transmission System shall not exceed seven (7) years from the date the Interconnection Request is received by the System Operator, unless Interconnection Customer demonstrates that such time required to actively engineer, permit and construct the new Elective Transmission Upgrade or increase in capability of the existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility interconnected to the Administered Transmission System or implement the Material Modification to an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected to the Administered Transmission System will take longer than the seven year period. Upon such demonstration, the Trial Operation Date may succeed the date the Interconnection Request is received by the System Operator by a period of greater than seven (7) years so long as Interconnection Customer, System Operator, and Interconnecting Transmission Owner agree; such agreement shall not be unreasonably withheld.

Within sixty (60) days of submitting an Interconnection Request to the System Operator, Interconnection Customer with a request for an External ETU, shall provide evidence that it has submitted a valid request with the other Control Area to which it seeks to interconnect. Notwithstanding any other provision in this ETU IP, if such evidence is not provided within a period not to exceed sixty (60) days, the Interconnection Request will immediately be deemed withdrawn.

3.3.3 Acknowledgment of Interconnection Request.

System Operator shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.3.4 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid Interconnection Request until all items in Section 3.3.2 of this ETU IP have been received by the System Operator during the Cluster Request Window. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, the System Operator shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide the System Operator the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the close of the Cluster Request Window. At any time, if System Operator finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and System Operator shall work expeditiously and in good faith to remedy such issues. In the event that Interconnection Customer fails to comply with this Section 3.3.4 of this ETU IP, System Operator shall deem the Interconnection Request withdrawn (without the cure period provided under Section 3.6 of this ETU IP), $5,000 of the application fee is forfeited to System Operator, and any unspent portion of the application fee, the study deposit, and Commercial Readiness Deposit shall be returned to Interconnection Customer.

3.3.5 Customer Engagement Window.

Upon the close of each Cluster Request Window, System Operator shall open a sixty (60) Calendar Day period (Customer Engagement Window). During the Customer Engagement Window, System Operator shall hold a Scoping Meeting with all Interconnecting Transmission Owners, Interconnection Customers whose valid Interconnection Requests were received in that Cluster Request Window, and any identified Affected Parties, or Internal Affected Parties as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, System Operator may shorten the Customer Engagement Window and begin the Cluster Study. Within ten (10) Business Days of the opening of the Customer Engagement Window, System Operator shall post on its OASIS a list of Interconnection Requests for that Cluster. The list shall identify, for each anonymized Interconnection Request: (1) the requested amount of Interconnection Service; (2) the location by county and state; (3) the station or transmission line or lines where the interconnection will be made; (4) the projected In-Service Date; (5) the type of Interconnection Service requested; and (6) the type of Generating Facility or Facilities to be constructed, including fuel types, such as coal, natural gas, solar, or wind. The System Operator must ensure that project information is anonymized and does not

reveal the identity or commercial information of Interconnection Customers with submitted requests. During the Customer Engagement Window, System Operator shall provide to Interconnection Customer a non-binding, updated good faith estimate of the cost and timeframe for completing the Cluster Study and a Cluster Study Agreement to be executed prior to the close of the Customer Engagement Window.

At the end of the Customer Engagement Window, all Interconnection Requests deemed valid that have executed a Cluster Study Agreement in the form of Appendix 2 to this ETU IP shall be included in the Cluster Study. Any Interconnection Requests for which Interconnection Customer has not executed a Cluster Study Agreement shall be deemed withdrawn (without the cure period provided under Section 3.6 of this ETU IP) by System Operator, the initial deposit shall be forfeited to the System Operator, and the System Operator shall return the study deposit and Commercial Readiness Deposit to Interconnection Customer. Immediately following the Customer Engagement Window, System Operator shall initiate the Cluster Study described in Section 7 of this ETU IP.

3.3.6 Cluster Study Scoping Meetings.

During the Customer Engagement Window, System Operator shall hold a Scoping Meeting with all Interconnecting Transmission Owners, Interconnection Customers whose valid Interconnection Requests were received in that Cluster Request Window, and any identified Affected Parties, or Internal Affected Parties as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements.

The purpose of the Scoping Meeting shall be (i) to discuss alternative interconnection options, (ii) to exchange pertinent information including any transmission data and earlier study evaluations that would reasonably be expected to impact such interconnection options, (iii) to discuss Cluster Study materials posted to OASIS pursuant to Section 3.4 of this ETU IP, as applicable, (iv) to analyze such information, and (v) to discuss any other information necessary to facilitate the administration of the Interconnection Procedures.

The Parties will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) information regarding general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. The Parties will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On

the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

If the Cluster Study Scoping Meeting consists of more than one Interconnection Customer, System Operator shall issue, no later than fifteen (15) Business Days after the commencement of the Customer Engagement Window, and Interconnection Customer shall execute a non-disclosure agreement in the form specified by System Operator prior to a group Cluster Study Scoping Meeting, which will provide for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

3.4 OASIS Posting.

The System Operator will maintain on its OASIS a list of all Interconnection Requests in its Control Area. The list will identify, for each Interconnection Request: (i) the maximum net summer and winter megawatt electrical output; (ii) the location by county and state of the Point of Interconnection; (iii) the substation or transmission line or lines where the interconnection will be made; (iv) the projected Trial Operation Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the type of Interconnection Service being requested (i.e., CNI Interconnection Service or NI Interconnection Service); and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Elective Transmission Upgrade to be constructed (e.g., Internal ETU, External ETU, controllable, non-controllable); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an ETU IA or requests that the System Operator and Interconnecting Transmission Owner jointly file an unexecuted ETU IA with the Commission. Before participating in a Scoping Meeting with an Interconnection Customer that is also an Affiliate, the Interconnecting Transmission Owner shall post on OASIS an advance notice of its intent to do so. The System Operator shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to the System Operator's OASIS site subsequent to the meeting between the System Operator, Interconnecting Transmission Owner, and Interconnection Customer to discuss the applicable study results. The System Operator shall also post any known deviations in the Elective Transmission Upgrade's Trial Operation Date.

The requirements to post Interconnection Study Metrics and Cluster Study Processing Time contained in Sections 3.5.2 in Schedule 22 of the OATT shall apply to Interconnection Requests submitted under this Schedule 25.

3.5 Coordination with Internal Affected Systems.

The System Operator will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Internal Affected Systems with Internal Affected Parties and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this ETU IP. The System Operator will include such Internal Affected Parties in all meetings held with Interconnection Customer as required by this ETU IP. Interconnection Customer will cooperate with the System Operator and Interconnecting Transmission Owner in all matters related to the conduct of studies and the determination of modifications to Internal Affected Systems. Interconnection Customer shall be responsible for the costs associated with the studies or portions of studies associated with the Internal Affected Systems, including costs associated with the requirements of Section I.3.9 of the Tariff. Payment and refunds associated with the costs of such studies will be coordinated between Interconnection Customer and the Internal Affected Party(ies).

The System Operator shall seek the cooperation of all Internal Affected Parties in all matters related to the conduct of studies and the determination of modifications to Internal Affected Systems. Nothing in the foregoing is intended to authorize Interconnection Customer to receive interconnection, related facilities or other services on an Internal Affected System, and provision of such services must be handled through separate arrangements with Internal Affected Party(ies).

3.5A Coordination with Affected Systems Outside the New England Control Area.

System Operator will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators. Interconnection Customer will cooperate with System Operator and Affected System Operator in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

An Interconnecting Transmission Owner in the New England Control Area whose system may be impacted by a proposed interconnection on an Affected System shall cooperate with the System Operator and Affected System to whom a proposed interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Interconnecting Transmission Owner's portion of the New England Transmission System.

3.5A.1 Initial Notification.

System Operator must notify Affected System Operator of a potential Affected System impact caused by an Interconnection Request within ten (10) Business Days of the completion of the Cluster Study.

At the time of initial notification, System Operator must provide Interconnection Customer with a list of potential Affected Systems, along with relevant contact information.

3.5A.2 Notification of Cluster Restudy.

System Operator must notify Affected System Operator of a Cluster Restudy concurrently with its notification of such Cluster Restudy to Interconnection Customers.

3.5A.3 Notification of Cluster Restudy Completion.

Upon the completion of System Operator's Cluster Restudy, System Operator will notify Affected System Operator of a potential Affected System impact caused by an Interconnection Request within ten (10) Business Days of the completion of the Cluster Restudy, regardless of whether that potential Affected System impact was previously identified. At the time of the notification of the completion of the Cluster Restudy to the Affected System Operator, System Operator must provide Interconnection Customer with a list of potential Affected System Operators, along with relevant contact information.

3.6 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to System Operator, which System Operator will transmit to Interconnecting Transmission Owner and any Affected Parties. In addition, if Interconnection Customer fails to adhere to all requirements of this ETU IP, except as provided in Section 13.5 (Disputes), the System Operator shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Except as otherwise provided elsewhere in this ETU IP, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cure the deficiency or to notify the System Operator of its intent to pursue Dispute Resolution, and System Operator shall notify Interconnecting Transmission Owner and any Affected Parties of the same.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the

System Operator may eliminate Interconnection Customer's Interconnection Request from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to System Operator, Interconnecting Transmission Owner, and any Affected Parties all costs prudently incurred with respect to that Interconnection Request prior to System Operator's receipt of notice described above. Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn by System Operator under Section 3.6 of this ETU IP, System Operator shall (i) update the OASIS Queue Position posting; and (ii) impose the Withdrawal Penalty described in Section 3.6.1 of this ETU IP. Except as otherwise provided elsewhere in this ETU IP, the System Operator and the Interconnecting Transmission Owner shall refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds the costs incurred, including interest calculated in accordance with section 35.19a(a)(2) of the Commission's regulations, or arrange to charge to Interconnection Customer any amount of such costs incurred that exceed Interconnection Customer's deposit or study payments, including interest calculated in accordance with section 35.19a(a)(2) of the Commission's regulations. The System Operator and Interconnecting Transmission Owner shall refund any portion of the Commercial Readiness Deposit not applied to the Withdrawal Penalty and, if applicable, the deposit in lieu of Site Control. In the event of such withdrawal, System Operator, subject to the confidentiality provisions of Section 13.1 and the ISO New England Information Policy, as well as any other applicable requirement under Applicable Laws and Regulations regulating the disclosure or confidentiality of such information, shall provide, at Interconnection Customer's request, all information developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

3.6.1 Withdrawal Penalty.

Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or is deemed withdrawn, or the Elective Transmission Upgrade does not otherwise reach Commercial Operation unless: (1) the withdrawal does not have a material impact on the cost or timing of any Interconnection Request in the same Cluster; (2) Interconnection Customer withdraws after receiving Interconnection Customer's most recent Cluster Restudy Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than twenty-five percent (25%) compared to costs identified in Interconnection Customer's preceding Cluster Study Report or Cluster Restudy Report; or (3) Interconnection Customer withdraws after receiving Interconnection

Customer's Interconnection Facilities Study Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than one hundred percent (100%) compared to costs identified in the Cluster Study Report or Cluster Restudy Report.

3.6.1.1 Calculation of the Withdrawal Penalty.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the initial Cluster Study, Interconnection Customer shall not be subject to a Withdrawal Penalty. If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach Commercial Operation at any point after the commencement of the initial Cluster Study, that Interconnection Customer's Withdrawal Penalty will be the greater of: (1) Interconnection Customer's study deposit required under Section 3.3.1.1 of this ETU IP; or (2) as follows in (a)–(d):

(a) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Interconnection Facilities Study if no Cluster Restudy is required, Interconnection Customer shall be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point in the Interconnection Study process.

(b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Section 7.5 of this ETU IP, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer shall be charged five percent (5%) its estimated Network Upgrade costs.

(c) If Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Interconnection Facilities Study Report issued pursuant to Section 8.3 of this ETU IP, or after receipt of the draft ETU IA but before Interconnection Customer has executed an ETU IA or has requested that its ETU IA be filed unexecuted, and has satisfied the other requirements described in Section 11.3 of this ETU IP (i.e., Site Control demonstration, ETU IA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility), Interconnection Customer shall be charged ten percent (10%) its estimated Network Upgrade costs.

(d) If Interconnection Customer has executed an ETU IA or has requested that its ETU IA be filed unexecuted and has satisfied the other requirements described in Section 11.3 of this ETU IP

(i.e., Site Control demonstration, ETU IA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility) and subsequently withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, that Interconnection Customer's Withdrawal Penalty shall be twenty percent (20%) its estimated Network Upgrade costs.

3.6.1.2 Distribution of the Withdrawal Penalty.

3.6.1.2.1 Initial Distribution of Withdrawal Penalties Prior to Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster

For a single Cluster, System Operator shall hold all Withdrawal Penalty funds until all Interconnection Customers in that Cluster have either: (1) withdrawn or been deemed withdrawn; (2) executed an ETU IA; or (3) requested an ETU IA to be filed unexecuted. Any Withdrawal Penalty funds collected from the Cluster shall first be used to fund studies conducted under the Cluster Study Process for Interconnection Customers in the same Cluster that have executed the ETU IA or requested the ETU IA to be filed unexecuted. Next, after the Withdrawal Penalty funds are applied to relevant study costs in the same Cluster, System Operator will apply the remaining Withdrawal Penalty funds to reduce net increases, for Interconnection Customers in the same Cluster, in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of the pro forma ETU IA attributable to the impacts of withdrawn Interconnection Customers that shared an obligation with the remaining Interconnection Customers to fund a Network Upgrade, as described in more detail in Sections 3.7.1.2.3 and 3.7.1.2.4. The total amount of funds used to fund these studies under the Cluster Study Process or those applied to any net increases in Network Upgrade costs for Interconnection Customers in the same Cluster shall not exceed the total amount of Withdrawal Penalty funds collected from the Cluster.

Withdrawal Penalty funds shall first be applied as a refund to invoiced study costs for Interconnection Customers in the same Cluster that did not withdraw within thirty (30) Calendar Days of such Interconnection Customers executing their ETU IA or requesting to have their ETU IA filed unexecuted. Distribution of Withdrawal Penalty funds within one specific Cluster for study costs shall not exceed the total actual Cluster Study Process costs for the Cluster. Withdrawal Penalty funds applied to study costs shall be allocated within the same Cluster to Interconnection Customers in a manner consistent with the System Operator's method in Section 13.3 of this ETU IP for allocating the costs of Interconnection

Studies conducted on a clustered basis. System Operator shall post the balance of Withdrawal Penalty funds held by System Operator but not yet dispersed on its OASIS site and update this posting on a quarterly basis.

If an Interconnection Customer withdraws after it executes, or requests the unexecuted filing of, its ETU IA, System Operator shall first apply such Interconnection Customer's Withdrawal Penalty funds to any restudy costs required due to Interconnection Customer's withdrawal as a credit to as-yet-to be invoiced study costs to be charged to the remaining Interconnection Customers in the same Cluster in a manner consistent with the System Operator's method in Section 13.3 of this ETU IP for allocating the costs of Interconnection Studies conducted on a clustered basis. Distribution of the Withdrawal Penalty funds for such restudy costs shall not exceed the total actual restudy costs.

3.6.1.2.2 Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster

If Withdrawal Penalty funds remain for the same Cluster after the Withdrawal Penalty funds are applied to relevant study costs, System Operator will determine if the withdrawn Interconnection Customers, at any point in the Cluster Study Process, shared cost assignment for one or more Network Upgrades with any remaining Interconnection Customers in the same Cluster based on the Cluster Study Report, Cluster Restudy Report(s), Interconnection Facilities Study Report, and any subsequent issued restudy report issued for the Cluster.

In Section 3.6.1.2 of this ETU IP, shared cost assignments for Network Upgrades refers to the cost of Network Upgrades still needed for the same Cluster for which an Interconnection Customer, prior to withdrawing its Interconnection Request, shared the obligation to fund along with Interconnection Customers that have executed an ETU IA, or requested the ETU IA to filed unexecuted.

If System Operator's assessment determines that there are no shared cost assignments for any Network Upgrades in the same Cluster for the withdrawn Interconnection Customer, or determines that the withdrawn Interconnection Customer's withdrawal did not cause a net increase in the shared cost assignment for any remaining Interconnection Customers' Network Upgrade(s) in the same Cluster, System Operator will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customer(s). Such remaining Withdrawal Penalty funds will be returned to withdrawn Interconnection Customers based on the proportion of each withdrawn Interconnection Customer's contribution to the total amount of Withdrawal Penalty funds collected for the Cluster (i.e., the total amount before the initial

disbursement required under Section 3.6.1.2.1 of this ETU IP). System Operator must make such disbursement within sixty (60) Calendar Days of the date on which all Interconnection Customers in the same Cluster have either: (1) withdrawn or been deemed withdrawn; (2) executed an ETU IA; or (3) requested an ETU IA to be filed unexecuted. For the withdrawn Interconnection Customers that System Operator determines have caused a net increase in the shared cost assignment for one or more Network Upgrade(s) in the same Cluster under Section 3.6.1.2.3(a) of this ETU IP, System Operator will determine each such withdrawn Interconnection Customers' Withdrawal Penalty funds remaining balance that will be applied toward net increases in Network Upgrade shared costs calculated under Sections 3.7.1.2.3(a) and 3.7.1.2.3(b) of this ETU IP based on each such withdrawn Interconnection Customer's proportional contribution to the total amount of Withdrawal Penalty funds collected for the same Cluster (i.e., the total amount before the initial disbursement requirement under Section 3.6.1.2.1 of this ETU IP).

If the System Operator's assessment determines that there are shared cost assignments for Network Upgrades in the same Cluster, System Operator will calculate the remaining Interconnection Customers' net increase in cost assignment for Network Upgrades due to a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customer and distribute Withdrawal Penalty funds as described in Section 3.6.1.2.3, depending on whether the withdrawal occurred before the withdrawing Interconnection Customer executed the ETU IA (or filed unexecuted), as described in Section 3.6.1.2.3(a) of this ETU IP, or after such execution (or filing unexecuted) of an ETU IA, as described in Section 3.6.1.2.3(b) of this ETU IP.

As discussed in Section 3.6.1.2.4, System Operator will amend executed (or filed unexecuted) ETU IAs of the remaining Interconnection Customers in the same Cluster to apply the remaining Withdrawal Penalty funds to reduce net increases in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of the pro forma ETU IA attributable to the impacts of withdrawn Interconnection Customers on Interconnection Customers remaining in the same Cluster that had a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customers.

3.6.1.2.3 Impact Calculations

3.6.1.2.3(a) Impact Calculation for Withdrawals During the Cluster Study Process

If an Interconnection Customer withdraws before it executes, or requests the unexecuted filing of, its ETU IA, the System Operator will distribute in the following manner the Withdrawal Penalty funds to reduce

the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment for a Network Upgrade with the withdrawn Interconnection Customer.

To calculate the reduction in the remaining Interconnection Customers' net increase in Network Upgrade costs and associated financial security requirements under Article 11.5 of the pro forma ETU IA, the System Operator will determine the financial impact of a withdrawing Interconnection Customer on other Interconnection Customers in the same Cluster that shared an obligation to fund the same Network Upgrade(s). System Operator shall calculate this financial impact once all Interconnection Customers in the same Cluster either: (1) have withdrawn or have been deemed withdrawn; (2) executed an ETU IA; or (3) request an ETU IA to be filed unexecuted. System Operator will perform the financial impact calculation using the following steps.

First, System Operator must determine which withdrawn Interconnection Customers shared an obligation to fund Network Upgrades with Interconnection Customers from the same Cluster that have ETU IAs that are executed or have been requested to be filed unexecuted. Next, System Operator shall perform the calculation of the financial impact of a withdrawal on another Interconnection Request in the same Cluster by performing a comparison of the Network Upgrade cost estimates between each of the following:

(1) Cluster Study phase to Cluster Restudy phase (if Cluster Restudy was necessary);

(2) Cluster Restudy phase to Interconnection Facilities Study phase (if a Cluster Restudy was necessary);

(3) Cluster Study phase to Interconnection Facilities Study phase (if no Cluster Restudy was performed);

(4) Interconnection Facilities Study phase to any subsequent restudy that was performed before the execution or filing of an unexecuted ETU IA;

(5) The Interconnection Facilities Study reflected in the executed, or filed unexecuted, ETU IA to any subsequent restudy conducted after the execution or filing of an unexecuted ETU IA.

If, based on the above calculations, System Operator determines:

(i) that the costs assigned to an Interconnection Customer in the same Cluster for Network Upgrades that a withdrawn Interconnection Customer shared cost assignment for increased between any two studies, and

(ii) after the impacted Interconnection Customer's ETU IA was executed or filed unexecuted, Interconnection Customer's cost assignment for the relevant Network Upgrade is greater than it was prior to the withdrawal of Interconnection Customer in the same Cluster that shared cost assignment for the Network Upgrade,

then System Operator shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs in the amount of the financial impact by reducing, in the same Cluster, the remaining Interconnection Customer's Network Upgrade costs and associated financial security requirements under Article 11.5 of the pro forma ETU IA.

If System Operator determines that more than one Interconnection Customer in the same Cluster was financially impacted by the same withdrawn Interconnection Customer, System Operator will apply the relevant withdrawn Interconnection Customer's Withdrawal Penalty funds that have not already been applied to study costs to reduce the financial impact to each Interconnection Customer based on each Interconnection Customer's proportional share of the financial impact, as determined by either the Proportional Impact Method if it is a System Network Upgrade or on a per capita basis if it is a Substation Network Upgrade, as described under Section 4.2.1 of this ETU IP.

3.6.1.2.3(b) Impact Calculation for Withdrawals in the Same Cluster After the Cluster Study Process

If an Interconnection Customer withdraws after it executes, or requests the unexecuted filing of, its ETU IA, System Operator will distribute in the following manner the remaining Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment with the withdrawn Interconnection Customer for one or more Network Upgrades.

System Operator will determine the financial impact on the remaining Interconnection Customers in the same Cluster within thirty (30) Calendar Days after the withdrawal occurs. The System Operator will determine that financial impact by comparing the Network Upgrade cost funding obligations

Interconnection Customers shared with the withdrawn Interconnection Customer before the withdrawal of Interconnection Customer and after the withdrawal of Interconnection Customer. If that comparison indicates an increase in Network Upgrade costs for an Interconnection Customer, System Operator shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds to the increased costs each impacted Interconnection Customer in the same Cluster experienced associated with such Network Upgrade(s) in proportion to each Interconnection Customer's increased cost assignment, as determined by System Operator.

3.6.1.2.4 Amending ETU IA to Apply Reductions to Interconnection Customer's Assigned Network Upgrade Costs and Associated Financial Security Requirement with Respect to Withdrawals in the Same Cluster

Within thirty (30) Calendar Days of all Interconnection Customers in the same Cluster having: (1) withdrawn or been deemed withdrawn; (2) executed an ETU IA; or (3) requested an ETU IA to be filed unexecuted, System Operator must perform the calculations described in Section 3.6.1.2.3(a) of this ETU IP and provide such Interconnection Customers with an amended ETU IA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 11.5 of the pro forma ETU IA, due from Interconnection Customer to the Interconnecting Transmission Owner.

Where an Interconnection Customer executes the ETU IA (or requests the filing of an unexecuted ETU IA) and is later withdrawn or its ETU IA is terminated, System Operator must, within thirty (30) Calendar Days of such withdrawal or termination, perform the calculations described in Section 3.6.1.2.3(b) of this ETU IP and provide such Interconnection Customers in the same Cluster with an amended ETU IA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 11.5 of the pro forma ETU IA, due from Interconnection Customer to Interconnecting Transmission Owner.

Any repayment by Interconnecting Transmission Owner to Interconnection Customer under Article 11.4 of the pro forma ETU IA of amounts advanced for Network Upgrades after the Generating Facility achieves Commercial Operation shall be limited to Interconnection Customer's total amount of Network Upgrade costs paid and associated financial security provided to Interconnecting Transmission Owner under Article 11.5 of the pro forma ETU IA.

3.6.1.2.5 Final Distribution of Withdrawal Penalty Funds

If Withdrawal Penalty funds remain for the Cluster after the Withdrawal Penalty funds are applied to relevant study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers, System Operator or Interconnecting Transmission Owner, as appropriate, will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customers in the same Cluster net of the amount of each withdrawn Interconnection Customer's Withdrawal Penalty funds applied to study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers.

3.7 Identification of Contingent Facilities.

System Operator shall identify Contingent Facilities before the execution of the ETU IA by reviewing the Interconnection Facilities and Network Upgrades associated with an Interconnection Request with a higher Queue Position or the list of transmission projects planned or proposed for the New England Transmission System to identify those upgrades that are not yet in service but upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing. Planned or proposed upgrades will be identified as Contingent Facilities for an Interconnection Request if the absence of those upgrades would cause additional Adverse System Impacts to be identified in the Cluster Study, using the same conditions as those used in the Cluster Study. The thresholds for identification of Adverse System Impact for the purpose of identifying Contingent Facilities will be as follows: (i) an increase in the flow in an element by at least two percent of the element's rating and that causes that flow to exceed that element's appropriate thermal rating by more than two percent where the appropriate thermal rating is the normal rating with all lines in service and the long time emergency or short time emergency rating after a contingency; (ii) a change of at least one percent in a voltage that causes a voltage level that is higher or lower than the appropriate high or low rating by more than one percent; (iii) an increase of at least a one percent change in the short circuit current experienced by an element and that causes a short circuit stress that is higher than an element's interrupting or withstand capability; or (iv) the introduction of a violation of stability criteria. Contingent Facilities that are identified during the evaluation of the Interconnection Request shall be documented in the Cluster Study report or the ETU IA for the Elective Transmission Upgrade. System Operator shall also provide, upon request of Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time for each identified Contingent Facilities when this information is readily available and not commercially sensitive.

3.8 Penalties for Failure to Meet Study Deadlines.

(1) System Operator or Interconnecting Transmission Owner shall be subject to a penalty if it fails to complete a Cluster Study, Cluster Restudy, Interconnection Facilities Study, or Affected Systems Study by the applicable deadline set forth in this ETU IP. The responsibilities of System Operator and Interconnecting Transmission Owner in the conduct of such studies are set forth in the Transmission Operating Agreement and ISO New England Planning Procedures. System Operator or Interconnecting Transmission Owner must pay the penalty for each late Cluster Study, Cluster Restudy, and Interconnection Facilities Study on a pro rata basis per Interconnection Request to all Interconnection Customer(s) included in the relevant study that did not withdraw, or were not deemed withdrawn, from System Operator's interconnection queue before the missed study deadline in proportion to each Interconnection Customer's final study cost. System Operator or Interconnecting Transmission Owner must pay the penalty for a late Affected Systems Study on a pro rata basis per interconnection request to all Affected System Interconnection Customer(s) included in the relevant Affected System Study that did not withdraw, or were not deemed withdrawn, from the host transmission provider's interconnection queue before the missed study deadline in proportion to each Interconnection Customer's final study cost. Except as provided below, the study delay penalty for each late study shall be distributed no later than forty-five (45) Calendar Days after the late study has been completed.

(2) For penalties assessed in accordance with this Section, the penalty amount will be equal to: $1,000 per Business Day for delays of Cluster Studies beyond the applicable deadline set forth in this ETU IP; $2,000 per Business Day for delays of Cluster Re-Studies beyond the applicable deadline set forth in this ETU IP; $2,000 per Business Day for delays of Affected System Studies beyond the applicable deadline set forth in this ETU IP; and $2,500 per Business Day for delays of Interconnection Facilities Studies beyond the applicable deadline set forth in this ETU IP. The total amount of a penalty assessed under this Section shall not exceed: (a) one hundred percent (100%) of the initial study deposit(s) received for all of the Interconnection Requests in the Cluster for Cluster Studies and Cluster Restudies; (b) one hundred percent (100%) of the initial study deposit received for the single Interconnection Request in the study for Interconnection Facilities Studies; and (c) one hundred percent (100%) of the study deposit(s) that System Operator or Interconnecting Transmission Owner collects for conducting the Affected System Study.

(3) System Operator or Interconnecting Transmission Owner may appeal to the Commission any penalties imposed under this Section. Any such appeal must be filed no later than forty-five (45) Calendar Days after the late study has been completed. While an appeal to the Commission is pending, System Operator or Interconnecting Transmission Owner shall remain liable for the penalty, but need not distribute the

penalty until forty-five (45) Calendar Days after (1) the deadline for filing a rehearing request has ended, if no requests for rehearing of the appeal have been filed, or (2) the date that any requests for rehearing of the Commission's decision on the appeal are no longer pending before the Commission. The Commission may excuse System Operator or Interconnecting Transmission Owner from penalties under this Section for good cause.

(4) No penalty will be assessed under this Section where a study is delayed by ten (10) Business Days or less. If the study is delayed by more than ten (10) Business Days, the penalty amount will be calculated from the first Business Day the System Operator or Interconnecting Transmission Owner misses the applicable study deadline.

(5) If (a) System Operator or Interconnecting Transmission Owner needs to extend the deadline for a particular study subject to penalties under this Section and (b) all Interconnection Customers or Affected System Interconnection Customers included in the relevant study mutually agree to such an extension, the deadline for that study shall be extended thirty (30) Business Days from the original deadline. In such a scenario, no penalty will be assessed for System Operator or Interconnecting Transmission Owner missing the original deadline.

(6) No penalties shall be assessed until the third Cluster Study cycle (including any Transitional Cluster Study cycle, but not Transitional Serial Interconnection Facilities Studies) after the Commission-approved effective date of System Operator's filing made in compliance with the Final Rule in Docket No. RM22-14-000.

(7) System Operator and Interconnecting Transmission Owner must maintain on its OASIS or its public website summary statistics related to penalties assessed under this Section, updated quarterly. For each calendar quarter, System Operator and Interconnecting Transmission Owner must calculate and post (1) the total amount of penalties assessed under this Section during the previous reporting quarter and (2) the highest penalty assessed under this Section paid to a single Interconnection Customer or Affected System Interconnection Customer during the previous reporting quarter. System Operator and Interconnecting Transmission Owner must post on their respective OASIS or website these penalty amounts for each calendar quarter within thirty (30) Calendar Days of the end of the calendar quarter. System Operator and Interconnecting Transmission Owner must maintain the quarterly measures posted on their respective OASIS or website for three (3) calendar years with the first required posting to be the third Cluster Study

cycle (including any Transitional Cluster Study cycle, but not Transitional Serial Interconnection Facilities Studies) after System Operator transitions to the Cluster Study Process.

SECTION 4. INTERCONNECTION REQUEST EVALUATION PROCESS.

4.1 Queue Position.

4.1.1 Assignment of Queue Position

System Operator shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request provided all items required pursuant to the provisions of Section 3.3.2 of this ETU IP are received. All Interconnection Requests submitted and deemed valid in a single Cluster Request Window shall be considered equally queued.

A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster shall be considered equally queued. Interconnection Customers that are part of a Cluster initiated earlier in time than an instant Cluster Study shall be considered to have a higher Queue Position than Interconnection Customers that are part of Cluster initiated later than an instant Cluster.

Any ongoing CSIS or CFAC as of June 13, 2024 shall include the Interconnection Requests that were identified as eligible to participate in the CSIS and CFAC and met the associated requirements for inclusion in said studies in accordance with Section 4.2 of this ETU IP. An Interconnection Request included in a cluster shall consider a higher queued Interconnection Request not included in the cluster. A lower queued Interconnection Request that is not included in such a CSIS or CFAC shall consider all of the higher queued Interconnection Requests that are part of the CSIS or CFAC.

4.1.2 Considerations Related to Achieving CNI Interconnection Service.

Participation in a CNR Group Study was required to achieve CNR Interconnection Service and CNI Interconnection Service prior to September 4, 2025.

After September 4, 2025, the Transitional Cluster Study, Transitional CNR Group Study or the Cluster Study processes shall be the only means for Interconnection Customers to achieve CNR Interconnection Service and CNI Interconnection Service under this Schedule 25.

Interconnection Requests submitted to Interconnecting Transmission Owners or their distribution company affiliates pursuant to the applicable state tariff, rules or procedures that have obtained Proposed Plan Application approval from the System Operator pursuant to Section I.3.9 of the Tariff shall be included in the Base Case for Transitional CNR Group Study or a Cluster Study in order of submission/approval (the dates of Proposed Plan Application approval shall be used for interconnection requests submitted to Interconnecting Transmission Owners or their distribution company affiliates) provided that such Section I.3.9 approval was received at least ninety (90) Calendar Days after the start of the Cluster Study consistent with Section 2.3 of this ETU IP.

4.2 General Study Process.

Interconnection Studies performed using Clustering shall be conducted in such a manner to ensure the efficient implementation of the applicable Regional System Plan in light of the New England Transmission System's capabilities for the time period under study and consistent with Good Utility Practice.

The System Operator may use subgroups in the Cluster Study Process. If the System Operator elects to use subgroups in the Cluster Study Process, System Operator must publish the criteria used to define and determine subgroups on its OASIS or public website, prior to the opening of a Cluster Request Window.

4.2.1 Triggers for CRPS.

The System Operator, at its discretion, may initiate a CRPS pursuant to Section 15 of Attachment K, Section II of the Tariff, when it identifies any of the following interconnection circumstances:

(1) the withdrawal from the Cluster Study Process of two (2) or more Interconnection Requests for resources in the same electrical part of the New England Control Area; or
(2) where procurements are underway for resources in the same electrical part of the New England Control Area;

and, none of the resources described in (1) or (2) above will be able to interconnect to the Administered Transmission System without the use of common significant new transmission line infrastructure rated at or above 115 kV AC or HVDC.

System Operator may also initiate a CRPS in an electrical part of the New England Control Area where System Operator previously identified the need for a CETU to interconnect new resources.

4.2.2 Notice of Initiation of CRPS.

When the System Operator identifies the interconnection circumstances in Section 4.2.1 of this ETU IP, the System Operator will provide notice to the Planning Advisory Committee of the initiation of a CRPS in accordance with Section 15.1 of Attachment K, Section II of the Tariff. The System Operator will perform a CRPS to identify the CETU and associated system upgrades to enable the interconnection of potentially all of the resources for which the interconnection circumstances described in Section 4.2.1 of this ETU IP were identified, consistent with Section 15.2 of Attachment K. The results of the CRPS performed under Attachment K will inform the Cluster entry process and requirements for Interconnection Requests for Generating Facilities and Elective Transmission Upgrades that need the CETU to meet the interconnection standards in Schedules 22, 23, or 25 of the OATT. The System Operator will provide notice to Interconnection Customers that have submitted an Interconnection Request during a Cluster Request Window that System Operator has identified as needing a CETU to meet the interconnection standards prior to the Cluster Scoping Meeting. System Operator shall determine whether 1) a CRPS has been completed in the relevant area of the system and the Interconnection Requests can enter the Cluster Study consistent with Section 4.2.3.2 of this ETU IP or 2) a CRPS is currently underway, or may be initiated pursuant to Section 4.2.1 of this ETU IP in the relevant area of the system, in which case, System Operator will deem the Interconnection Requests withdrawn without the cure period described in Section 3.6 of this ETU IP, notify the Interconnection Customers, and refund any remaining deposits.

4.2.3 Requirements for CETU-Eligible Interconnection Requests.

4.2.3.1 Cluster Entry Requirements for CETU-Eligible Interconnection Requests.

4.2.3.1.1 CRPS Completed Prior to Transitional Cluster Study For a CRPS that was completed prior to the start of the Transitional Cluster Study, and for which a CSIS has not commenced, all Interconnection Requests identified in the final CRPS report, by Queue Position as assigned in accordance with Section 4.1 of this ETU IP, shall be eligible to elect to enter the Transitional Cluster Study under Section 5.1.1.2 of this ETU IP. By the deadline to return the Transitional Cluster Study Agreement, an Interconnection Customer with an Interconnection Request identified in the final CRPS report as eligible to elect to enter the Transitional Cluster Study must, in writing:

1. withdraw the Interconnection Request, pursuant to Section 3.6; or

2. request to be included in the Transitional Cluster Study, meet the requirements specified in Section 5.1.1.2, (except for the Commercial Readiness Deposit) and submit to the System Operator the CETU Participation Deposit specified in Section 4.2.3.2 of this ETU IP. Such deposit shall be in cash.

If, by the deadline to submit the Transitional Cluster Study Agreement, Interconnection Customer fails to withdraw its Interconnection Request or request to be included in the Transitional Cluster Study and meet the requirements specified in this Section 4.2.3.1.1, then the Interconnection Request will be automatically withdrawn from the interconnection queue without further opportunity to cure. If Interconnection Customer elects option (2) above and does not meet all of the CSIS entry requirements specified in this Section 4.2.3.1.1 by the deadline to submit the Transitional Cluster Study Agreement, the Interconnection Request will be automatically withdrawn from the interconnection queue as of that date without further opportunity to cure. If an initial CETU Participation Deposit had been submitted as part of an otherwise incomplete Transitional Cluster Study entry requirements submission, the initial CETU Participation Deposit will be refunded at the time the Interconnection Request is withdrawn.

4.2.3.1.2 CRPS Completed or Initiated After the Transitional Cluster Study. All Interconnection Requests that, based on a final CRPS report that the System Operator has completed pursuant to Attachment K, reasonably expect to, or have been notified by System Operator that they need, the CETU and associated system upgrades identified in that final CRPS report must request to be included in the Cluster Study, have a valid Interconnection Request pursuant to Section 3.3.2, and submit to the System Operator the CETU Participation Deposit specified in Section 4.2.3.2 of this ETU IP by the close of the Customer Engagement Window. Such deposit shall be in cash. If Interconnection Customer does not meet all of the entry requirements specified in this Section 4.2.3.1.2 by close of the Customer Engagement Window, the Interconnection Request will be automatically withdrawn from the interconnection queue as of the close of the Customer Engagement Window without further opportunity to cure. If an initial CETU Participation Deposit had been submitted as part of the incomplete Interconnection Request, the initial CETU Participation Deposit will be refunded at the time the Interconnection Request is withdrawn.

Where a CRPS under Attachment K, has not been completed prior to the opening of a Cluster Entry Window, Interconnection Requests in the electrical part of the system subject to the CRPS will be eligible to participate in the next Cluster Study following completion of the CRPS.

4.2.3.2 CETU Participation Deposit for CETU Eligible Interconnection Requests.

For Interconnection Requests that are CETU eligible and System Operator has determined that a CRPS has been completed in the relevant area of the system, by the close of the Customer Engagement Window, Interconnection Customer must replace the Commercial Readiness Deposit submitted under Section 3.3.2 of this ETU IP with a CETU Participation Deposit equal to: (a) for an External ETU, five (5) percent of Interconnection Customer's cost allocation responsibility for the CETU and associated system upgrades to be determined based on the cost estimates provided in the final CRPS report, or (b) for an Internal ETU, the lesser of $1,000,000 or five (5) percent of Interconnection Customer's estimated costs for the Internal ETU as of the time the initial Cluster Participation Deposit is due. If the System Operator subsequently identifies that an Internal ETU has met the requirements to take the place of a CETU, or portion thereof, pursuant to Section 4.2.3.4 of this ETU IP, the initial CETU Participation Deposit will be reduced to exclude the costs associated with the CETU, or portion thereof, that is being replaced by the Internal ETU, and Interconnection Customer shall be refunded the corresponding amount. Cost allocation of the CETU and associated system upgrades shall be in accordance with Schedule 11, Section II of this Tariff.

The initial CETU Participation Deposit will be fully refunded (with interest to be calculated in accordance with Section 3.6 of this ETU IP) to Interconnection Customer with an Interconnection Request that met the cluster entry requirements: (i) if the CETU is initially undersubscribed by more than ten (10) percent of the quantity of megawatts that the CETU developed through the CRPS was designed to enable and Interconnection Customer withdraws the Interconnection Request, pursuant to Section 3.6, before the Cluster Study starts, (ii) if the CETU is initially oversubscribed as described in Section 4.2.3.3.2 of this ETU IP (e.g., the CETU developed through the CRPS is designed to enable 1,000 MW and more than 1,000 MW meet the Cluster Study or Transitional Cluster Study entry requirements), in which case the CETU Participation Deposits will be refunded to Interconnection Customers with Interconnection Requests corresponding to the oversubscribed megawatt quantities, (iii) if the cost estimates for the CETU and the associated system upgrades provided in the final CRPS report for the entire cluster have increased by twenty-five (25) percent or more when compared to the cost estimates provided in the draft Transitional Cluster Study, draft Cluster Study Report or the draft Facilities Study report and Interconnection Customer withdraws the Interconnection Request, pursuant to Section 3.6, within thirty (30) Calendar Days after receipt of the draft Cluster Study Report or the draft Facilities Study report in accordance with Sections 7.5 and 8.3 of this ETU IP, respectively; (iv) if at the time Interconnection Customer with an Interconnection Request included in the CSIS provides to the Interconnecting Transmission Owner the deposit specified in Section 11.3.1.2 of this ETU IP or (v) if all Interconnection Requests included in the cluster withdraw from the interconnection queue.

Otherwise, the CETU Participation Deposit shall be non-refundable if Interconnection Customer withdraws its Interconnection Request or the Interconnection Request is withdrawn from the interconnection queue at any time after the Customer Engagement Window. The non-refundable initial CETU Participation Deposits shall be re-allocated, according to the cost allocation methodology contained in Schedule 11, to Interconnection Customers with Interconnection Requests included in a cluster at the time the facilities proposed in the Interconnection Requests achieve Commercial Operation.

4.2.3.3 CETU Filling and Oversubscription.

For purposes of the Transitional Cluster Study, the CETU shall be filled with all Interconnection Requests in the same electrical part of the New England Control Area that the System Operator previously identified as needing the CETU identified in the final CRPS report and that met the Transitional Cluster Study entry requirements by the Cluster Request Window up to the approximate megawatt quantity identified in the final CRPS report as potentially enabled by the CETU. The Interconnection Requests will be included Transitional Cluster Study in queue order, based on the Queue Positions assigned in accordance with Section 4.1 of this ETU IP, relative to other eligible Interconnection Requests. In the event that the CETU is filled and lower queued Interconnection Requests remain, such requests shall be withdrawn by System Operator, all remaining deposits will be refunded, and System Operator may initiate a new CRPS under Attachment K in the same electrical area of the system.

For Cluster Studies, the CETU shall be filled with all Interconnection Requests in the same electrical part of the New England Control Area submitted during the next Cluster Request Window following the publication of the final CRPS report that the System Operator determines need the CETU identified in the final CRPS report and meet the Cluster Study entry requirements by close of the Cluster Entry Window up to the approximate megawatt quantity identified in the final CRPS as potentially enabled by the CETU. If the Interconnection Requests identified by the System Operator as needing the CETU identified in the final CRPS report that elect to enter the Cluster Study exceed the quantity of megawatts identified as potentially enabled by the CETU in the final CRPS report, the System Operator shall fill the CETU first with Interconnection Requests for Generating Facilities that have been selected in, or are contractually bound by, a state-sponsored request for proposals. In the event that the CETU is filled and additional Interconnection Requests are not able to be included, such requests will not proceed into the Cluster Study, all deposits associated with the oversubscribed Interconnection Requests will be refunded, System Operator may initiate a new CRPS under Attachment K in the same electrical area of the system.

4.2.4. Cluster Interconnection Facilities Study.

The following provisions shall only apply to Interconnection Customers that executed a CFAC prior to the effective date of this ETU IP.

Notwithstanding any other provision in this ETU IP, an Interconnection Customer with an Interconnection Request included in a completed CSIS will not be eligible to waive the, or request a separate, CFAC. All Interconnection Customers with an Interconnection Request included in a completed CSIS shall be studied together in the CFAC for the purpose of implementing the conclusions of the CSIS with respect to non-sole use facilities.

4.2.4.1 Cluster Interconnection Facilities Study Entry Requirements. An Interconnection Customer with an Interconnection Request that was included in a completed CSIS shall execute an Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to the System Operator, together with the required technical data and refundable deposit for the Interconnection Facilities Study as specified in Section 8.1 of this ETU IP.

4.2.4.2. Scope of Interconnection Facilities Study. The CFAC will be conducted in accordance with Sections 8.2 and 8.3 of this ETU IP based on a +/- 20 percent good faith cost estimate.

4.2.4.3 Re-study of the Interconnection Facilities Study. In addition to the circumstances specified in Section 8.5 of this ETU IP, a re-study of the CFAC is required due to the withdrawal of an Interconnection Request that had been included in the CFAC. A re-study of the CSIS and CFAC will be conducted to determine if there are any changes in the upgrades identified during the CSIS and CFAC with the exception of the CETU identified in the final CRPS report, which shall remain configured consistent with the megawatt quantity(ies) considered in the final CRPS report.

4.2.4.4 Additional CETU Participation Deposit. Within thirty (30) Calendar Days after receipt of the final CFAC report in accordance with Section 8.3 of this ETU IP, an Interconnection Customer with an Interconnection Request included in the CFAC shall submit to the System Operator an additional CETU Participation Deposit equal to: (a) for an External ETU, five (5) percent of Interconnection Customer's cost allocation responsibility for the CETU and associated system upgrades to be determined based on the cost estimates provided in the final CFAC report, or (b) for an Internal ETU, the lesser of $1,000,000 or five (5) percent of Interconnection Customer's estimated costs for the Internal ETU as of the time the

additional Cluster Participation Deposit is due. Cost allocation of the CETU and associated system upgrades shall be in accordance with Schedule 11, Section II of this Tariff.

The additional CETU Participation Deposit provided under this Section 4.2.4.4 will be fully refunded (with interest to be calculated in accordance with Section 3.6 of this ETU IP) to Interconnection Customer that submitted the additional CETU Participation Deposit (i) at the time Interconnection Customer with an Interconnection Request included in this CSIS provides to the Interconnecting Transmission Owner the deposit specified in Section 11.3.1.2 of this ETU IP or (ii) if all Interconnection Requests included in the cluster withdraw from the interconnect queue.

Otherwise, the additional CETU Participation Deposit shall be non-refundable if Interconnection Customer withdraws its Interconnection Request or the Interconnection Request is withdrawn from the interconnection queue. The non-refundable additional CETU Participation Deposits shall be re-allocated, according to the cost allocation methodology contained in Schedule 11, to Interconnection Customers with Interconnection Requests included in a cluster at the time the facilities proposed in the Interconnection Requests achieve Commercial Operation.

4.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Queue Position to another entity only if such entity acquires the specific Elective Transmission Upgrade identified in the Interconnection Request and the Point of Interconnection does not change. Interconnection Customer must notify the System Operator, in writing, of any transfers of Queue Position and must provide the System Operator with the transferee's contact information, and System Operator shall notify Interconnecting Transmission Owner and any Affected Parties of the same.

4.4 Modifications.

Interconnection Customer shall submit to System Operator and Interconnecting Transmission Owner, in writing, modifications to any information provided in the Interconnection Request, including its attachments. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.4, or 7.5 of this ETU IP, or are determined not to be Material Modifications pursuant to Section 4.4.2. The System Operator will notify the Interconnecting Transmission Owner, and, when System Operator deems it appropriate in accordance with applicable codes of conduct and confidentiality requirements, it will notify any Affected Party or Internal Affected Party of such modifications.

A new Interconnection Request shall be required to: (1) increase the capability of an Elective Transmission Upgrade above that specified in an Interconnection Request, or an existing Interconnection Agreement (whether executed or filed in unexecuted form with the Commission); (2) change from NI Interconnection Service to CNI Interconnection Service, in which case a new Interconnection Request for CNI Interconnection Service shall be required to be submitted during a future Customer Entry Window; or (3) change the objective specified in an Interconnection Request.

During the course of the Interconnection Studies, System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes do not constitute a Material Modification and are acceptable to the Parties, such acceptance not to be unreasonably withheld, System Operator and Interconnecting Transmission Owner shall modify the Point(s) of Interconnection prior to the completion of a Cluster Study and Interconnection Customer shall retain its Queue Position.

4.4.1 Prior to the return of the Cluster Study Agreement, or Transitional Cluster Study Agreement, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent in the capability of the proposed project; (b) modifying the technical parameters associated with the Elective Transmission Upgrade technology or characteristics; and (c) modifying the interconnection configuration.

4.4.2 Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.4, or 7.5 of this ETU IP, Interconnection Customer may first request that System Operator and Interconnecting Transmission Owner evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, System Operator in consultation with Interconnecting Transmission Owner, and in consultation with any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, shall evaluate, at Interconnection Customer's cost, the proposed modifications prior to making them and System Operator will inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point(s) of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 of this ETU IP or so allowed elsewhere,

shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

4.4.3 Upon receipt of Interconnection Customer's request for modification that does not constitute a Material Modification and therefore is permitted under this Section 4.4 of this ETU IP, the System Operator in consultation with Interconnecting Transmission Owner and in consultation with any Affected Party or Internal Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, shall commence and perform any necessary additional studies as soon as practicable, but in no event shall System Operator, Interconnecting Transmission Owner, or Affected Party or Internal Affected Party commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost. Any such request for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to the Appendix 1 of this ETU IP.

4.4.4 Extensions of less than three (3) cumulative years in the Commercial Operation Date, In-Service Date or Trial Operation Date of the Elective Transmission Upgrade to which the Interconnection Request relates are not material and should be handled through construction sequencing, provided that the extension(s) do not exceed seven (7) years from the date the Interconnection Request was received by System Operator. For purposes of this Section 4.4.4, the Commercial Operation Date reflected in the initial Interconnection Request shall be used to calculate the permissible extension prior to Interconnection Customer executing an ETU IA or requesting that the ETU IA be filed unexecuted. After an ETU IA is executed or requested to be filed unexecuted, the Commercial Operation Date reflected in the ETU IA shall be used to calculate the permissible extension. Such cumulative extensions may not exceed three years including both extensions requested after execution of the ETU IA by Interconnection Customer or the filing of an unexecuted ETU IA by System Operator and those requested prior to execution of the ETU IA by Interconnection Customer or the filing of an unexecuted ETU IA by System Operator.

4.4.5 Extensions of three (3) or more cumulative years in the Commercial Operation Date, In-Service Date or Trial Operation Date of the Elective Transmission Upgrade to which the Interconnection Request relates or any extension of a duration that results in the Trial Operation Date exceeding the date the Interconnection Request was received by System Operator by seven (7) or more years is a Material Modification unless Interconnection Customer demonstrates to System Operator due diligence in pursuit

of permitting, licensing and construction of the Elective Transmission Upgrade to meet the Commercial Operation Date, In-Service Date or Trial Operation Date provided in the Interconnection Request. Such demonstration shall be based on evidence to be provided by Interconnection Customer of accomplishments in permitting, licensing, and construction in an effort to meet the Commercial Operation Date, In-Service Date or Trial Operation Date provided in this Interconnection Request. Such evidence may include filed documents, records of public hearings, governmental agency findings, documentation of actual construction progress, including the previous four (4) months. If the evidence demonstrates that Interconnection Customer did not undertake reasonable efforts to meet the Commercial Operation Date, In-Service Date or Trial Operation Date specified in the Interconnection Request, or demonstrates that reasonable efforts were not undertaken until four (4) months prior to the request for extension, the request for extension shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed Material Modification or proceed with a new Interconnection Request for such modification.

SECTION 5. PROCEDURES FOR TRANSITION.

5.1 Procedures for Transitioning to the Cluster Study Process

5.1.1 Any Interconnection Customer assigned a Queue Position as of thirty (30) Calendar Days after May 1, 2024 (the filing date of this ETU IP) shall retain that Queue Position subject to the requirements in Sections 5.1.1.1 and 5.1.1.2 of this ETU IP. Any Interconnection Customer that fails to meet the entry requirements shall have its Interconnection Request deemed withdrawn by System Operator pursuant to Section 3.6 of this ETU IP. In such case, System Operator shall not assess Interconnection Customer any Withdrawal Penalty.

Any Interconnection Customer that has accepted a final Interconnection Facilities Study Report before the commencement of the studies under the transition process set forth in this section shall be tendered an ETU IA pursuant to Section 11 of this ETU IP, and shall not be required to enter this transition process.

System Operator shall not accept Interconnection Requests submitted after the thirty (30) Calendar Day period described in this section until such time as the first Cluster Request Window opens.

5.1.1.1 Transitional Serial Study. An Interconnection Customer that has been tendered an Interconnection Facilities Study Agreement (other than a CFAC Agreement) as of thirty (30) Calendar Days after May 14, 2024 (the filing date of this ETU IP) may opt to proceed with an Interconnection

Facilities Study or proceed to directly to ETU IA negotiations. System Operator shall tender each eligible Interconnection Customer a Transitional Serial Interconnection Facilities Study Agreement, in the form of Appendix 6 to this ETU IP, on August 11, 2025. System Operator shall proceed with the Interconnection Facilities Study, provided that Interconnection Customer: (1) meets each of the following requirements; and (2) executes the Transitional Serial Interconnection Facilities Study Agreement within sixty (60) Calendar Days of August 11, 2025. If an eligible Interconnection Customer does not meet these requirements, its Interconnection Request shall be deemed withdrawn without penalty. System Operator must commence the Transitional Serial Interconnection Facilities Study at the conclusion of this sixty (60) Calendar Day period. Transitional Serial Interconnection Facilities Study costs shall be allocated according to the method described in Section 13.3 of this ETU IP.

All of the following must be included when an Interconnection Customer returns the Transitional Serial Interconnection Facilities Study Agreement:

(1) A deposit equal to one hundred percent (100%) of the costs identified for Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades in Interconnection Customer's system impact study report. If Interconnection Customer does not withdraw, the deposit shall be trued up to actual costs once they are known and applied to future construction costs described in Interconnection Customer's eventual ETU IA. Any amounts in excess of the actual construction costs shall be returned to Interconnection Customer within thirty (30) Calendar Days of the issuance of a final invoice for construction costs, in accordance with Article 12.2 of the pro forma ETU IA. If Interconnection Customer withdraws or otherwise does not reach Commercial Operation, System Operator shall refund the remaining deposit after the final invoice for study costs and Transitional Withdrawal Penalty is settled. The deposit shall be in the form of an irrevocable letter of credit, or cash where cash deposits shall be treated according to Section 3.6 of this ETU IP.

(2) Exclusive Site Control for 100% of the proposed Elective Transmission Upgrade.

(3) A study deposit in the amount of the greater of $250,000 or estimated study costs.

Interconnecting Transmission Owner and System Operator shall conduct each Transitional Serial Interconnection Facilities Study and issue the associated Transitional Serial Interconnection Facilities Study Report within one hundred fifty (150) Calendar Days of August 11, 2025.

After System Operator issues each Transitional Interconnection Facilities Study Report, Interconnection Customer shall proceed pursuant to Section 11 of this ETU IP. If Interconnection Customer withdraws its Interconnection Request or if Interconnection Customer's Elective Transmission Upgrade otherwise does not reach Commercial Operation, a Withdrawal Penalty shall be imposed on Interconnection Customer equal to nine (9) times Interconnection Customer's total study cost incurred since entering the System Operator's interconnection queue (including the cost of studies conducted under Section 5 of this ETU IP).

5.1.1.2 Transitional Cluster Study

An Interconnection Customer with an assigned Queue Position as of thirty (30) Calendar Days after May 14, 2024 (the filing date of this ETU IP) may opt to proceed with a Transitional Cluster Study. System Operator shall tender each eligible Interconnection Customer a Transitional Cluster Study Agreement, in the form of Appendix 5 to this ETU IP, on August 11, 2025. System Operator shall proceed with the Transitional Cluster Study that includes each Interconnection Customer that: (1) meets each of the following requirements listed as (1) – (5) in this section; and (2) executes the Transitional Cluster Study Agreement within sixty (60) Calendar Days of August 11, 2025. All Interconnection Requests that enter the Transitional Cluster Study shall be considered to have an equal Queue Position that is lower than Interconnection Customer(s) proceeding with Transitional Serial Interconnection Facilities Study. If an eligible Interconnection Customer does not meet these requirements, its Interconnection Request shall be deemed withdrawn without penalty and with no further opportunity to cure. System Operator must commence the Transitional Cluster Study at the conclusion of this sixty (60) Calendar Day period. All identified Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrade costs shall be allocated in the manner described in Schedule 11 to the OATT. Transitional Cluster Study costs shall be allocated according to the method described in Section 13.3 of this ETU IP. If Interconnection Customer accepted the results of its system impact study on or before April 4, 2025, the System Operator shall not include the Interconnection Request in the Transitional Cluster Study and instead tender an Interconnection Agreement pursuant to Section 11 of this ETU IP, and refund any deposits associated with participation in the Transitional Cluster Study.

Notwithstanding any other provision, an Interconnection Customer with a valid Queue Position prior to June 13, 2024 that includes a Commercial Operation Date earlier than April 28, 2028, may make a one-time extension to its requested Commercial Operation Date upon entry into the Transitional Cluster

Study, where any such extension shall not result in a Commercial Operation Date later than April 28, 2028

All of the following must be included when an Interconnection Customer returns the Transitional Cluster Study Agreement:

(1) A selection of either Network Import Interconnection Service or Capacity Network Import Interconnection Service. Upon making this selection, an Interconnection Customer requesting CNI Interconnection Service may request that System Operator reduce the Interconnection Request from CNI Interconnection Service to NI Interconnection Service if the System Operator identifies thermal violations in the analysis associated with CNI Interconnection Service testing conditions that are not identified in the analysis associated with the NI Interconnection Service testing conditions for the Interconnection Request. System Operator will notify Interconnection Customer that its Interconnection Request has been reduced to NI Interconnection Service, and list the thermal violations identified in the analysis associated with CNI Interconnection Service testing conditions in the Cluster Study Report.

(2) A deposit of five million dollars ($5,000,000) for all Internal Elective Transmission Upgrade Interconnection Requests and those seeking NRI Interconnection Service or CNRI Interconnection Service, and one million ($1,000,000) for Interconnection Requests for which Interconnection Studies for NI Interconnection Service have been completed but have not achieved CNI Interconnection Service or for Interconnection Requests seeking to change from existing NI Interconnection Service to CNI Interconnection Service. The deposit shall be in the form of an irrevocable letter of credit or cash where cash deposits shall be treated according to Section 3.6 of this ETU IP. If Interconnection Customer does not withdraw, the deposit shall be reconciled with and applied towards future construction costs described in the ETU IA. Any amounts in excess of the actual construction costs shall be returned to Interconnection Customer within thirty (30) Calendar Days of the issuance of a final invoice for construction costs, in accordance with Article 12.2 of the pro forma ETU IA. If Interconnection Customer withdraws or otherwise does not reach Commercial Operation, System Operator must refund the remaining deposit once the final invoice for study costs and Transitional Withdrawal Penalty is settled.

(3) Exclusive Site Control for 100% of the proposed Elective Transmission Upgrade.

(4) A study deposit in the amount of $250,000 for all Internal Elective Transmission Upgrade Interconnection Requests seeking NI Interconnection Service or CNI Interconnection Service, and one hundred thousand ($100,000) for Interconnection Requests or which Interconnection Studies for NI Interconnection Service have been completed but have not achieved CNI Interconnection Service or for Interconnection Requests seeking to change from existing NI Interconnection Service to CNI Interconnection Service. Any unused balance of the study deposit associated with the Interconnection Request shall be applied toward the study deposit associated with the Transitional Cluster Study Agreement.

(5) All technical data required under Appendix 1 and Attachment A of this ETU IP to the extent Interconnection Customer has not already provided such data.

System Operator shall conduct the Transitional Cluster Study and issue both an associated interim Transitional Cluster Study Report and an associated final Transitional Cluster Study Report. The Study Case for the Transitional Cluster Study shall include any CETU and associated system upgrades identified in a final CRPS Report prior to the opening of the Transitional Cluster Study, provided that System Operator receives Interconnection Requests that require such CETU. Consistent with the NC Interconnection Standard, the evaluation will include conditions where the projects proposed in the Interconnection Requests that are included in the CSIS are not dispatched against each other if they do not share a system constraint that would provide the basis for a redispatch condition. The CETU shall remain configured consistent with the megawatt quantity(ies) specified in the final CRPS report. In the event that all CETU-eligible Interconnection Requests withdraw from the Transitional Cluster Study, the CETU shall be removed from the Study Case. An Internal ETU can be considered, and included in the Transitional Cluster Study, in place of a CETU, or portion thereof, if all of Interconnection Customers with Interconnection Requests included in the cluster that the ISO has determined need to use the Internal ETU have indicated by the end of the deadline to submit the Transitional Cluster Study Agreement that they have a contractual commitment in place providing for Interconnection Customers to fund and the right to use the Internal ETU.

The interim Transitional Cluster Study Report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of Contingent Facilities;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
- Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and a non-binding, good faith estimate of cost responsibility and a non-binding, good faith estimated time to construct.

In addition to the information provided in the interim Transitional Cluster Study Report, the final Transitional Cluster Study Report shall provide a description of, estimated cost of, and schedule for construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades required to interconnect the Generating Facility to the Administered Transmission System that resolve issues identified in the interim Transitional Cluster Study Report.

The interim and final Transitional Cluster Study Reports shall be issued within three hundred (300) and three hundred sixty (360) Calendar Days of August 11, 2025, respectively, and shall be posted on System Operator's OASIS consistent with the posting of other study results pursuant to Section 3.4.1 of this ETU IP. Interconnection Customer shall have thirty (30) Calendar Days to comment on the interim Transitional Cluster Study Report, once it has been received.

After System Operator issues the final Transitional Cluster Study Report, Interconnection Customer shall proceed pursuant to Section 11 of this ETU IP. If Interconnection Customer withdraws its Interconnection Request or if Interconnection Customer's Elective Transmission Upgrade otherwise does not reach Commercial Operation, a Transitional Withdrawal Penalty will be imposed om Interconnection Customer equal to nine (9) times Interconnection Customer's total study cost incurred since entering the System Operator's interconnection queue (including the cost of studies conducted under Section 5 of this ETU IP.

5.1.1.3 Transitional CNR Group Study

In accordance with Section III.13.1.1.2.3A, System Operator shall conduct a Transitional CNR Group Study following the effective date of this ETU IP. An Interconnection Customer with an assigned Queue Position as of June 13, 2024 may participate in the Transitional CNR Group Study, and consistent with Section II.48 of the Tariff, achieve CNI Interconnection Service. Any Interconnection Customer seeking

to establish CNI Interconnection through this study must (1) have a valid Interconnection Request seeking CNI Interconnection Service, (2) submit a New Capacity Show of Interest Form to participate in the interim reconfiguration auction qualification process, (3) have not secured a Capacity Supply Obligation prior to September 4, 2025, (4) have a completed System Impact Study or Interconnection Agreement establishing NI Interconnection Service on or before April 4, 2025, and 5) have a Commercial Operation Date prior to June 1, 2028.

System Operator shall conduct the study by performing an overlapping impacts analysis in the manner used for CNR Group Studies conducted prior to the effective date of this ETU IP and as described in ISO Section III.13.1.1.2.3A and the ISO New England Planning Procedures. The Transitional CNR Group Study shall assure that Interconnection Customer's Large Generating Facility can be interconnected in a manner that ensures intra-zonal deliverability by avoidance of the redispatch of other Capacity Network Resources and Elective Transmission Upgrades with CNI Interconnection Service, in accordance with the CC Interconnection Standard and as detailed in the ISO New England Planning Procedures.

Interconnection Requests for CNR Interconnection Service and CNI Interconnection Service submitted to the System Operator pursuant to Schedules 22, 23, or 25 of Section II of the Tariff and interconnection requests submitted to Interconnecting Transmission Owners or their distribution company affiliates pursuant to the applicable state tariff, rules or procedures that have obtained Proposed Plan Application approval from the System Operator pursuant to Section I.3.9 of the Tariff shall be included in the Transitional CNR Group Study in order of submission/approval (the dates of submission shall be used for Interconnection Requests submitted to the System Operator and the dates of Proposed Plan Application approval shall be used for interconnection requests submitted to Interconnecting Transmission Owners or their distribution company affiliates). Interconnection requests submitted to Interconnecting Transmission Owners or their distribution company affiliates that have not yet received the System Operator's approval for their Proposed Plan Applications under Section I.3.9 of the Tariff at the commencement of the Transitional CNR Group Study shall be included in the Transitional CNR Group Study after all Interconnection Requests submitted to the System Operator pursuant to Schedules 22, 23, or 25 of Section II of the Tariff and all interconnection requests submitted to Interconnecting Transmission Owners or their distribution company affiliates pursuant to the applicable state tariff, rules or procedures that have obtained Proposed Plan Application approval from the System Operator pursuant to Section I.3.9 of the Tariff have been included in the Transitional CNR Group Study in order of submission to the Interconnecting Transmission Owners or their distribution company affiliates.

Where an Interconnection Customer with a CNR or CNI Interconnection Service Interconnection Request submits a Show of Interest Form to participate in the Transitional CNR Group Study, and identifies in that Show of Interest Form that one or more Elective Transmission Upgrade Interconnection Request(s) for an Internal ETU (with a completed Interconnection System Impact Study), that is not already included in the network model pursuant to Section III.12 of the Tariff supports its deliverability, the CNR or CNI Interconnection Request will be included in the Transitional CNR Group Study at the lowest of the CNR or CNI Interconnection Request's or its associated Elective Transmission Upgrade Interconnection Request(s) for the Internal ETU's Queue Position. Where multiple Interconnection Customers' CNR or CNI Interconnection Service Interconnection Requests are associated with the same lower Queue Position for an Elective Transmission Upgrade Interconnection Request for an Internal ETU in the CNR Group Study, the CNR Interconnection Request's Queue Position will be used as the tie breaker to dictate the relative order in which the CNR Interconnection Service Interconnection Request will be included in the CNR Group Study.

Any Interconnection Customer seeking to participate in the Transitional CNR Group Study that receives a qualification determination notification under Section III.13.1.1.2.8 of the Tariff, must provide, a Commercial Readiness Deposit of one million dollars ($1,000,000) in the form of an irrevocable letter of credit, cash, or a combination thereof prior to the opening of the window to elect critical path schedule monitoring. Such deposit shall be refunded to Interconnection Customer: upon the Elective Transmission Upgrade achieving Commercial Operation. If Interconnection Customer does not achieve Commercial Operation, System Operator shall refund the deposit to Interconnection Customer in accordance with Section 3.6 of this ETU IP.

5.2 New System Operator or Interconnecting Transmission Owner.

If System Operator transfers operational control of the New England Transmission System to a successor System Operator during the period when an Interconnection Request is pending, System Operator shall transfer to successor System Operator any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this ETU IP shall be paid by or refunded to Interconnection Customer, as appropriate. System Operator shall coordinate with successor System Operator to complete any Interconnection Study, as appropriate, that System Operator has begun but has not completed.

If Interconnecting Transmission Owner transfers ownership of its transmission facilities to a successor transmission owner during the period when an Interconnection Request is pending, and System Operator in conjunction with Interconnecting Transmission Owner has tendered a draft ETU IA to Interconnection Customer but Interconnection Customer has not either executed the ETU IA or requested the filing of an unexecuted ETU IA with the Commission, unless otherwise provided, Interconnection Customer must complete negotiations with successor transmission owner.

SECTION 6. INTERCONNECTION INFORMATION ACCESS.

6.1 Publicly Posted Interconnection Information.

System Operator shall maintain and make publicly available: (1) an interactive visual representation of the estimated incremental injection capacity (in megawatts) available at each point of interconnection on the Administered Transmission System under N-1 conditions, and (2) a table of metrics concerning the estimated impact of a potential Elective Transmission Upgrade on the Administered Transmission System based on a user-specified addition of a particular number of megawatts at a particular voltage level at a particular point(s) of interconnection. At a minimum, for each transmission facility impacted by the user-specified megawatt addition, the following information will be provided in the table: (1) the distribution factor; (2) the megawatt impact (based on the megawatt values of the proposed Elective Transmission Upgrade and the distribution factor); (3) the percentage impact on each impacted transmission facility (based on the megawatt values of the proposed Elective Transmission Upgrade and the facility rating); (4) the percentage of power flow on each impacted transmission facility before the injection of the proposed project; (5) the percentage power flow on each impacted transmission facility after the injection of the proposed Elective Transmission Upgrade. These metrics must be calculated based on the power flow model of the Administered Transmission System with the transfer simulated from each point of interconnection to the whole Administered Transmission System footprint (to approximate Capacity Network Import Interconnection Service), and with the incremental capacity at each point of interconnection decremented by the existing and queued ETU (based on the existing or requested interconnection service limit of the Elective Transmission Upgrade). These metrics must be updated within thirty (30) Calendar Days after the completion of each Cluster Study and Cluster Restudy. This information must be publicly posted, without a password or a fee. The website will define all underlying assumptions, including the name of the most recent Cluster Study or Restudy used in the Base Case.

SECTION 7. CLUSTER STUDY.

7.1 Cluster Agreement.

No later than five (5) Business Days after the close of a Cluster Request Window, System Operator and Interconnecting Transmission Owner shall tender to each Interconnection Customer that submitted a valid Interconnection Request a Cluster Study Agreement in the form of Appendix 2 of this ETU IP. The Cluster Study Agreement shall require Interconnection Customer to compensate System Operator and Interconnecting Transmission Owner for the actual cost of the Cluster Study, including the cost of developing the study agreement and its attachment(s) and the cost of developing the ETU IA, pursuant to Section 13.3 of this ETU IP. The specifications, assumptions, or other provisions in the appendices of the Cluster Study Agreement provided pursuant to Section 7.1 of this ETU IP shall be subject to change by System Operator and Interconnecting Transmission Owner following the conclusion of the Scoping Meeting.

7.2 Execution of Cluster Study Agreement.

Interconnection Customer shall execute the Cluster Study Agreement and deliver the executed Cluster Study Agreement to System Operator no later than the close of the Customer Engagement Window. In accordance with Section 13.3, System Operator and/or Interconnecting Transmission Owner shall issue to Interconnection Customer an invoice for the estimated costs of the Cluster Study that have been incurred by System Operator and/or Interconnecting Transmission Owner for the Cluster, including the study agreement and its attachment(s) and the ETU IA. Costs of Cluster Studies shall be allocated to all Interconnection Customers on a 50% per capita, and 50% per MW basis. Interconnection Customer shall pay the invoiced amounts, to the extent such amounts are greater than the initial deposit, within thirty (30) Calendar Days of receipt of invoice. System Operator shall continue to hold the amounts on deposit until settlement of the final invoice with Interconnection Customer and Interconnecting Transmission Owner.

If at any time during the Cluster Study, including during the Customer Engagement Window, System Operator determines that Interconnection Customer is required to provide additional technical data, or that the data provided is incomplete or contains errors, System Operator shall notify the Interconnection Customer and Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Cluster Study Agreement or required deposits. Failure to provide all required information within this period will result in automatic withdrawal of Interconnection Request from queue without the cure period provided under Section 3.6 of this ETU IP.

If Interconnection Customer does not provide all required technical data when it delivers the Cluster Study Agreement, System Operator shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Cluster Study Agreement and Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Cluster Study Agreement or required deposits.

7.3 Scope of Cluster Study.

The Cluster Study shall evaluate the impact of the proposed interconnection on the reliability and operation of the New England Transmission System. The Cluster Study will consider the Base Case as well as all generating facilities and Elective Transmission Upgrades (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Cluster Study is commenced: (i) are directly interconnected to the New England Transmission System; (ii) are interconnected to Affected System or Internal Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the New England Transmission System and may have an impact on the Interconnection Request; and (iv) have no Queue Position but have executed an Interconnection Agreement or requested that an unexecuted Interconnection Agreement be filed with the Commission (the "Study Case" for the Cluster Study). The Study Case shall also include any CETU and associated system upgrades identified in a final CRPS report prior to the opening of the Cluster Request Window, provided that System Operator receives Interconnection Requests that require such CETU. Consistent with the NC Interconnection Standard, the evaluation will include conditions where the projects proposed in the Interconnection Requests that are included in the CSIS are not dispatched against each other if they do not share a system constraint that would provide the basis for a redispatch condition. The CETU shall remain configured consistent with the megawatt quantity(ies) specified in the final CRPS report. In the event that all CETU-eligible Interconnection Requests withdraw from a Cluster Study, the CETU shall be removed from the Study Case. An Internal ETU can be considered, and included in the Cluster Study, in place of a CETU, or portion thereof, if all of Interconnection Customers with Interconnection Requests included in the cluster that the ISO has determined need to use the Internal ETU have indicated by the end of the Customer Engagement Window that they have a contractual commitment in place providing for Interconnection Customers to fund and the right to use the Internal ETU.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall consider the level of Interconnection Service requested by Interconnection Customers in the Cluster. However, the Cluster Study shall consider the full ETU capability to ensure the acceptability of the proposed control technology to restrict the facility's output and the safety and reliability of the system.

The Cluster Study will consist of a short circuit analysis, a stability analysis, a power flow analysis, including thermal analysis and voltage analysis, a system protection analysis and any other analyses, such as electromagnetic transient analysis, that are deemed necessary by the System Operator in consultation with the Interconnecting Transmission Owner, the results of which are documented in a single Cluster Study Report, as applicable. Interconnecting Transmission Owner(s) and Internal Affected Systems (if applicable) shall provide to System Operator, within thirty (30) Calendar Days of a request, and for purposes of inclusion in the Cluster Study Report, non-binding good faith estimates of cost responsibility for required upgrades, and a non-binding good faith estimated times to construct such upgrades.

At the conclusion of the Cluster Study, System Operator and Interconnecting Transmission Owner shall issue a Cluster Study Report. The Interconnection System Impact Study report will state the assumptions upon which it is based, state the results of the analyses, and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Cluster Study report will provide (i) a list of Interconnection Facilities and Network Upgrades that are required to reliably interconnect all facilities in that Cluster Study and a non-binding good faith estimate of cost responsibility; (ii) a non-binding good faith estimated time to construct; (iii) a protection assessment to determine the required protection upgrades; and may provide (iv) an evaluation of the siting of the Interconnection Facilities and Network Upgrades; and (v) identification of the likely permitting and siting process including easements and environment work. The Cluster Report shall identify each Interconnection Customer's estimated allocated costs for Interconnection Facilities and Network Upgrades pursuant to the method described in Schedule 11, Section II of the Tariff. System Operator shall hold an open stakeholder meeting pursuant to Section 7.4 of this ETU IP.

The Cluster Study shall evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting. System Operator shall evaluate each identified alternative transmission technology and determine, in the manner described in the ISO New England Planning Procedures, whether the above technologies should be used, consistent with Good Utility Practice Applicable Reliability Standards, and Applicable Laws and Regulations. System Operator shall include an explanation of the results of the System Operator's evaluation for each technology in the Cluster Study Report.

The Cluster Study Report will provide a list of facilities that are required as a result of the Interconnection Requests within the Cluster and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.4 Cluster Study Procedures.

System Operator shall coordinate the Cluster Study with Interconnecting Transmission Owner, and with any Affected Party or Internal Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, that is affected by the Interconnection Request pursuant to Section 3.5 above. System Operator and Interconnecting Transmission Owner shall utilize existing studies to the extent practicable when it performs the Cluster Study.

Interconnection Requests for a Cluster Study may be submitted only within the Cluster Request Window and System Operator and Interconnecting Transmission Owner shall initiate the Cluster Study process pursuant to Section 7 of this ETU IP.

System Operator and Interconnecting Transmission Owner shall complete the Cluster Study within two hundred and seventy (270) Calendar Days of the close of the Customer Engagement Window.
Within ten (10) Business Days of simultaneously issuing a Cluster Study Report to each Interconnection Customer within the Cluster and posting such report on OASIS, the System Operator shall convene a Cluster Study Report Meeting.

At the request of Interconnection Customer or at any time System Operator or Interconnecting Transmission Owner determines that it will not meet the required time frame for completing the Cluster Study, System Operator shall notify Interconnection Customer as to the schedule status of the Cluster Study. If System Operator and Interconnecting Transmission Owner are unable to complete the Cluster Study within the time period, System Operator shall notify Interconnection Customer and provide an estimated start date if the study has not commenced and completion date with an explanation of the reasons why additional time is required. In such circumstances, upon request, System Operator and Interconnecting Transmission Owner shall provide to Interconnection Customers all supporting documentation, workpapers and relevant Study Case power flow, short circuit and stability databases that have been developed for the Cluster Study to any third party consultant retained by Interconnection Customer. The recipient(s) of such information shall be subject to the confidentiality provisions of Section 13.1 and the ISO New England Information Policy, as well as any other applicable requirement

under Applicable Laws and Regulations regulating the disclosure or confidentiality of such information. To the extent that any applicable information is not covered by any applicable confidentiality/ disclosure requirements, such information may be provided directly to Interconnection Customer.

7.5 Cluster Study Restudies.

(1) Within twenty (20) Calendar Days after the Cluster Study Report Meeting, Interconnection Customer must provide the following:

(a) Demonstration of continued Site Control pursuant to Section 3.3.2(iv) of this ETU IP; and

(b) An additional deposit that brings the total Commercial Readiness Deposit submitted to System Operator five percent (5%) of the Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study in the form of an irrevocable letter, a surety bond, or cash where cash deposits shall be treated according to Section 3.6 of this ETU IP. System Operator shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 3.6 of this ETU IP.

Interconnection Customer shall promptly inform System Operator of any material change to Interconnection Customer's demonstration of Site Control under Section 3.3.2(iv) of this ETU IP. Upon System Operator determining that Interconnection Customer no longer satisfies the Site Control requirement, System Operator shall notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to System Operator's approval, not to be unreasonably withheld. Absent such demonstration, System Operator shall deem the subject Interconnection Request withdrawn pursuant to Section 3.6 of this ETU IP (without the cure period provided under Section 3.6 of this ETU IP).

At the same time that Interconnection Customer submits the information required under this Section 7.5(1)(a) and (b), an Interconnection Customer may also request a decrease in the size of the Elective Transmission Upgrade, provided that the Cluster Study identified that Elective Transmission Upgrade proposed in Interconnection Customer's Interconnection Request does not share any Network Upgrades with an Elective Transmission Upgrade or Generating Facility proposed in a separate Interconnection Request. If System Operator determines that a Cluster Restudy is required under this Section 7.5 of this ETU IP, within ten (10) Business Days of that determination Interconnection Customer shall provide all

required updated modeling and data associated with the requested decrease in the size of the Elective Transmission Upgrade for use in the Cluster Restudy. If the System Operator determines that a Cluster Restudy is not required, Interconnection Customer's request to decrease the size of the Elective Transmission Upgrade shall constitute a Material Modification pursuant to Section 4 of this ETU IP.

(2) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn pursuant to Section 3.6 of this ETU IP after completion of the Cluster Study or Cluster Restudy, System Operator shall notify Interconnection Customers in the Cluster that a Cluster Restudy is not required.

(3) If one or more Interconnection Customers withdraw from the Cluster or are deemed withdrawn pursuant to Section 3.6 of this ETU IP, [System Operator and Interconnecting Transmission Owner] shall determine if a Cluster Restudy is necessary within thirty (30) Calendar Days after the Cluster Study Report Meeting. If [System Operator and Interconnecting Transmission Owner] determine a Cluster Restudy is not necessary, System Operator shall notify Interconnection Customers in the Cluster that a Cluster Restudy is not required and System Operator shall provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination.

(4) If one or more Interconnection Customers withdraws from the Cluster or is deemed withdrawn pursuant to Section 3.6 of this ETU IP, and System Operator and Interconnecting Transmission Owner determine a Cluster Restudy is necessary as a result, System Operator shall notify Interconnection Customers in the Cluster and post on OASIS that a Cluster Restudy is required within thirty (30) Calendar Days after the Cluster Study Report Meeting. System Operator and Interconnecting Transmission Owner shall continue with such restudies until System Operator and Interconnecting Transmission Owner determine that no further restudies are required. If an Interconnection Customer withdraws or is deemed withdrawn pursuant to Section 3.6 of this ETU IP during the Interconnection Facilities Study, or after other Interconnection Customers in the same Cluster have executed ETU IAs, or requested that unexecuted ETU IAs be filed, and System Operator and Interconnecting Transmission Owner determines a Cluster Restudy is necessary, the Cluster shall be restudied. If a Cluster Restudy is required due to a higher queued project withdrawing from the queue, or a modification of a higher or equally queued project subject to Section 4.4 of this ETU IP, System Operator shall so notify affected Interconnection Customers in writing. Except as provided in Section 3.6 of this ETU IP in the case of withdrawing Interconnection Customers, any cost of Restudy shall be borne by Interconnection Customers being restudied.

(5) The scope of any Cluster Restudy shall be consistent with the scope of an initial Cluster Study pursuant to Section 7.3 of this ETU IP. [System Operator and Interconnecting Transmission Owner] shall complete the Cluster Restudy within ninety (90) Calendar Days of the System Operator informing Interconnection Customers in the cluster that restudy is needed. The results of the Cluster Restudy shall be combined into a single report (Cluster Restudy Report). System Operator shall hold a meeting with Interconnection Customers in the cluster, Interconnecting Transmission Owners, and any Affected Party or Internal Affected party as deemed appropriate by the System Operator (Cluster Restudy Report Meeting) within ten (10) Business Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy and publishing the Cluster Restudy Report on OASIS.

If additional restudies are required, Interconnection Customer and [System Operator and Interconnecting Transmission Owner] shall follow the procedures of this Section 7.5 of this ETU IP until such time that [System Operator and Interconnecting Transmission Owner] determine that no further restudies are required. System Operator shall notify each Interconnection Customer within the Cluster when no further restudies are required.

Within twenty (20) Business Days following Cluster Study Results Meeting, or Cluster Restudy Results Meeting (as appropriate), Interconnection Customer shall provide to the System Operator written notice that it will either pursue the Interconnection Facilities Study or waive the Interconnection Facilities Study and elect an expedited interconnection. Notwithstanding the foregoing sentence, the option to waive the Interconnection Facilities Study is not available for Interconnection Customers that share responsibility for the same Network Upgrades identified in a Cluster Study or Cluster Restudy unless each Interconnection Customers agrees in writing to waiver the Interconnection Facilities Study. In a case where Interconnection Customers share responsibility for the same Network Upgrades identified in a Cluster Study or Cluster Restudy and do not agree to waive the Interconnection Facilities Study, such study shall be performed at a level of +/- 20%. Once Interconnection Customer(s) notifies System Operator of its election, such election is not subject to change. If Interconnection Customer elects to pursue the Facilities Study it must proceed with the study. If Interconnection Customer waives the Facilities Study, it shall commit to the following milestones in the ETU IA: (i) Siting process and approval schedule for the Elective Transmission Upgrade and Interconnection Facilities; (ii) Engineering of Interconnection Facilities and Elective Transmission upgrade approved by Interconnecting Transmission Owner; (iii) Ordering of long lead time material for Interconnection Facilities and system upgrades; (iv) Trial Operation Date; and (v) Commercial Operation Date.

7.6 Operational Readiness.

System Operator shall, as close to Interconnection Customer's actual Trial Operation Date as reasonably possible, ensure that operational analysis, including current stability analyses, power flow analyses, and any other analyses deemed necessary by System Operator, are performed, and that procedures are developed or updated to address the operation of the New England Transmission System with the addition of Interconnection Customer's Elective Transmission Upgrade. The operational analysis will also include tests of system performance with selected facilities out of service. Such studies shall be performed at the expense of Interconnection Customer.

System Operator is not obligated to perform the operational analyses described in this Section 7.7 if, in the exercise of reasonable discretion, System Operator in consultation with Interconnecting Transmission Owner determines that interconnection of Interconnection Customer's Elective Transmission Upgrade to the Administered Transmission System is remote and speculative.

SECTION 8. INTERCONNECTION FACILITIES STUDY.

8.1 Interconnection Facilities Study Agreement.

Except as otherwise provided in Section 4.2.4 and 7.5 of this ETU IP, Interconnection Customer may waive the Interconnection Facilities Study and instead elect expedited interconnection, which means that Interconnection Customer may enter into E&P Agreements under Section 9 if it had not already done so, and shall enter into an ETU IA in accordance with the requirements specified in Section 11.

If Interconnection Customer waives the Interconnection Facilities Study, Interconnection Customer, subject to the specific terms of the E&P Agreements, assumes all risks and shall pay all costs associated with equipment, engineering, procurement and construction work covered by the Cluster Study as described in Section 8.2 below.

Within five (5) Business Days following System Operator notifying each Interconnection Customer within the Cluster that no further Cluster Restudy is required (per Section 7.5 of this ETU IP), the System Operator shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 3 to this ETU IP.

Interconnection Customer shall compensate the System Operator and Interconnecting Transmission Owner for the actual cost of the Interconnection Facilities Study, including the cost of developing the study agreement and its attachment(s) and the cost of developing the ETU IA. Within five (5) Business Days following the Cluster Report Meeting or Cluster Restudy Report Meeting if applicable, System Operator and Interconnecting Transmission Owner shall provide to Interconnection Customer a non-binding good faith estimate of the cost for completing the Interconnection Facilities Study in accordance with requirements specified in Section 8.3. Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to the System Operator within thirty (30) Calendar Days after its receipt, together with:

(1) any required technical data;

(2) demonstration of one-hundred percent (100%) Site Control or demonstration of a regulatory limitation and applicable deposit in lieu of Site Control provided to the System Operator in accordance with Section 3.3.2 of this ETU IP;

(3) an additional deposit that brings the total Commercial Readiness Deposit submitted to the System Operator to ten percent (10%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an irrevocable letter of credit, a surety bond, or cash where cash deposits shall be treated according to Section 3.6 of this ETU IP. In the case of a CETU-enabled Interconnection Request such deposit shall be made in cash.

System Operator/Interconnecting Transmission Owner shall refund the Commercial Readiness Deposit to Interconnection Customer upon withdrawal in accordance with Section 3.6 of this ETU IP.

In accordance with Section 8.3, Interconnection Customer shall specify in Attachment A to the Interconnection Facilities Study Agreement whether it wants no more than a +/- 20 percent or a +/- 10 percent good faith cost estimate contained in the report. The deposit for the study shall the greater of twenty-five percent of the estimated cost of the study or $250,000.

Any difference between the study deposit and the actual cost of the Interconnection Facilities Study shall be paid by or refunded to Interconnection Customer, except as otherwise provided in Section 13.3. In accordance with Section 13.3, System Operator and/or Interconnecting Transmission Owner shall issue to Interconnection Customer an invoice for the cost of the Interconnection Facilities Studies that will be, or

have been incurred by System Operator and/or Interconnecting Transmission Owner for the Interconnection Facilities Study, the study agreement and its attachment(s) and the ETU IA. For a CFAC that began before May 31, 2024, costs that are associated with an individual Interconnection Request assessed within the CFAC will be charged directly to that Interconnection Customer. CFAC costs that are associated with the CFAC as a whole will be divided equally, on a per-project basis, among Interconnection Customers in the cluster. System Operator and Interconnecting Transmission Owner may, in the exercise of reasonable discretion, invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay the invoiced amounts, to the extent such amounts are greater than the initial deposit, within thirty (30) Calendar Days of receipt of invoice. System Operator shall continue to hold the amounts on deposit until settlement of the final invoice with Interconnection Customer and the Interconnecting Transmission Owner.

8.2 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall be specific to each Interconnection Request and performed on an individual, i.e., non-clustered basis. The Interconnection Facilities Study shall specify and provide a non-binding estimate of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study Report (and any associated restudies) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Administered Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The scope and cost of the Interconnection Facilities Study shall include completion of any engineering work limited to what is reasonably required to (i) estimate such aforementioned cost to the accuracy specified by Interconnection Customer pursuant to Section 8.3, (ii) identify, configurations of required facilities and (iii) identify time requirements for construction and installation of required facilities.

8.3 Interconnection Facilities Study Procedures.

System Operator shall coordinate the Interconnection Facilities Study with Interconnecting Transmission Owner, and any Affected Party or Internal Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, pursuant to Section 3.5

above. System Operator and Interconnecting Transmission Owner shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. System Operator and Interconnecting Transmission Owner shall complete the study and System Operator shall issue a draft Interconnection Facilities Study report to Interconnection Customer, Interconnecting Transmission Owner, and any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days, with no more than a +/- twenty percent (20%) good faith cost estimate contained in the report; or one hundred eighty (180) Calendar Days, if Interconnection Customer requests a +/- ten percent (10%) good faith cost estimate. Such cost estimates either individually or in the aggregate will be provided in the final study report.

At the request of Interconnection Customer or at any time System Operator or Interconnecting Transmission Owner determines that it will not meet the required time frame for completing the Interconnection Facilities Study, System Operator shall notify Interconnection Customer, and any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, as to the schedule status of the Interconnection Facilities Study. If System Operator is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, System Operator shall notify Interconnection Customer, Interconnecting Transmission Owner and any Affected Party or Internal Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, and provide an estimated completion date and an explanation of the reasons why additional time is required.

Interconnection Customer and appropriate Affected Parties or Internal Affected Party may, within thirty (30) Calendar Days after receipt of the draft Interconnection Facilities Study Report, provide written comments to System Operator and Interconnecting Transmission Owner, which System Operator shall include in the final Interconnection Facilities Study Report. System Operator shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. System Operator may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require System Operator or Interconnecting Transmission Owner to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, System

Operator and Interconnecting Transmission Owner shall provide Interconnection Customer and any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, or any third party consultant retained by Interconnection Customer supporting documentation, with workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study. The recipient(s) of such information shall be subject to the confidentiality provisions of Section 13.1 and the ISO New England Information Policy, as well as any other applicable requirement under Applicable Laws and Regulations regulating the disclosure or confidentiality of such information. To the extent that any applicable information is not covered by any applicable confidentiality/ disclosure requirements, such information may be provided directly to Interconnection Customer.

8.4 Meeting with Parties.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, System Operator will convene a meeting of Interconnecting Transmission Owner, Interconnection Customer, and any Affected Party or Internal Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements to discuss the results of the Interconnection Facilities Study.

8.5 Restudy.

If re-study of the Interconnection Facilities Study is required due to (i) a higher or equally queued project withdrawing from the queue, (ii) a modification of a higher or equally queued project subject to Section 4.4, or (iii) a modification to a transmission project included in the Base Case, System Operator shall notify Interconnection Customer and Interconnecting Transmission Owner in writing. Each re-study shall be conducted serially based on the Queue Position of each Interconnection Customer, and each re-study shall take no longer than sixty (60) Calendar Days from the date of notice commences. Except as provided in Section 3.6 of this ETU IP in the case of withdrawing Interconnection Customer, any cost of re-study shall be borne by Interconnection Customer being re-studied. If the original Interconnection Facilities Study is complete and the final invoice has been issued, the re-study shall be performed under a new Interconnection Facilities Study Agreement.

SECTION 9. AFFECTED SYSTEM STUDY.

9.1 Applicability.

This Section 9 outlines the duties of System Operator and Interconnecting Transmission Owner when they receive notification that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the New England Transmission System.

9.2 Response to Notifications

9.2.1 Response to Initial Notification.

When System Operator receives initial notification either following the Cluster Study or a Cluster Restudy notification that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the New England Transmission System, System Operator must respond in writing within twenty (20) Business Days whether it intends to conduct an Affected System Study.

By fifteen (15) Business Days after the System Operator responds with its affirmative intent to conduct an Affected System Study, System Operator shall share with Affected System Interconnection Customer(s) and the Affected System Interconnection Customer's host transmission provider a non-binding good faith estimate of the cost and the schedule to complete the Affected System Study.

9.2.2 Response to Notification of Cluster Restudy.

Within five (5) Business Days of receipt of notification of Cluster Restudy System Operator will send written notification to Affected System Interconnection Customer(s) involved in the Cluster Restudy and the host transmission provider that System Operator intends to delay a planned or in-progress Affected System Study until after completion of the Cluster Restudy. If System Operator decides to delay the Affected System Study, it is not required to meet its obligations under Section 9 of this ETU IP until the time that it receives notification from the host transmission provider that the Cluster Restudy is complete. If System Operator decides to move forward with its Affected System Study despite the Cluster Restudy, then it must meet all requirements under Section 9 of this ETU IP.

9.3 Affected System Queue Position.

System Operator must assign an Affected System Queue Position to Affected System Interconnection Customer(s) that require(s) an Affected System Study. Such Affected System Queue Position shall be assigned based upon the date of execution of the Affected System Study Agreement. Relative to the System Operator's Interconnection Customers, this Affected System Queue Position shall be higher-queued than any Cluster that has not yet received its Cluster Study Report and shall be lower-queued than any Cluster that has already received its Cluster Study Report. Consistent with Section 9.7 of this ETU IP, System Operator and Interconnecting Transmission Owner shall study the Affected System Interconnection Customer(s) via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under Section 9.7 of this ETU IP shall be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position shall have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The costs of the Affected System Network Upgrades shall be allocated among the Affected System Interconnection Customers in accordance with Section 9.9 of this ETU IP.

9.4 Affected System Study Agreement/Multiparty Affected System Study Agreement.
Unless otherwise agreed, System Operator shall provide to Affected System Interconnection Customer(s) an Affected System Study Agreement/Multiparty Affected System Study Agreement, in the form of Appendix 7 or Appendix 8 to this ETU IP, as applicable, within ten (10) Business Days of System Operator sharing the schedule for the Affected System Study per Section 9.2.1 of this ETU IP.

Upon Affected System Interconnection Customer(s)' receipt of the Affected System Study Report, Affected System Interconnection Customer(s) shall compensate System Operator and Interconnecting Transmission Owner for the actual cost of the Affected System Study. Any difference between the study deposit and the actual cost of the Affected System Study shall be paid by or refunded to the Affected System Interconnection Customer(s). Any invoices for the Affected System Study shall include a detailed and itemized accounting of the cost of the study. Affected System Interconnection Customer(s) shall pay any excess costs beyond the already-paid Affected System Study deposit or be reimbursed for any costs collected over the actual cost of the Affected System Study within thirty (30) Calendar Days of receipt of an invoice thereof. If Affected System Interconnection Customer(s) fail to pay such undisputed costs within the time allotted, it shall lose its Affected System Queue Position. System Operator shall notify Affected System Interconnection Customer's host transmission provider of such failure to pay.

9.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement.

Affected System Interconnection Customer(s) shall execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement to System Operator, and provide the Affected System Study deposit within ten (10) Business Days of receipt. If System Operator notifies Affected System Interconnection Customer(s) that it will delay the Affected System Study pursuant to Section 9.2.2 of this ETU IP, Affected System Interconnection Customer(s) are neither required to execute and return the previously tendered Affected System Study/Multiparty Affected System Study Agreement nor provide the Affected System Study deposit for the previously tendered Affected System Study/Multiparty Affected System Study Agreement.

If Affected System Interconnection Customer does not provide all required technical data when it delivers the Affected System Study Agreement/Multiparty Affected System Study Agreement, System Operator shall notify the deficient Affected System Interconnection Customer, as well as the host transmission provider with which Affected System Interconnection Customer seeks to interconnect, of the technical data deficiency within five (5) Business Days of the receipt of the executed Affected System Study Agreement/Multiparty Affected System Study Agreement and the deficient Affected System Interconnection Customer shall cure the technical deficiency within ten (10) Business Days of receipt of the notice: provided, however, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer shall lose its Affected System Queue Position.

9.6 Scope of Affected System Study.

The Affected System Study shall evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another transmission provider's transmission system will have on the reliability of the New England Transmission System. The Affected System Study shall consider the Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Affected System Network Upgrades associated with such higher-queued Interconnection Request) that, on the date the Affected System Study is commenced: (i) are directly interconnected the New England Transmission System; (ii) are directly interconnected to another transmission provider's transmission system and may have an impact on Affected System Interconnection Customer's interconnection request; (iii) have a pending higher-queued Interconnection Request to interconnect to Transmission Provider's Transmission

System; and (iv) have no queue position but have executed an ETU IA or requested that an unexecuted ETU IA be filed with FERC. System Operator and Interconnecting Transmission Owner has no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

The Affected System Study shall consist of a power flow, stability, and short circuit analysis. The Affected System Study Report will: state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt of interconnection service on its host transmission provider's transmission system, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. For purposes of determining necessary Affected System Network Upgrades, the Affected System Study shall consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study Report shall provide a list of facilities that are required as a result of Affected System Interconnection Customer's proposed interconnection to another transmission provider's system, a non-binding good faith estimate of cost responsibility, and a non-binding good faith estimated time to construct. The Affected System Study may consist of a system impact study, a facilities study, or some combination thereof.

9.7 Affected System Study Procedures.

System Operator shall use Clustering in conducting the Affected System Study and shall use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. System Operator and Interconnecting Transmission Owner shall complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s) and the host transmission provider with whom interconnection has been requested within one hundred fifty (150) Calendar Days after the receipt of the Affected System Study Agreement and deposit.

At the request of Affected System Interconnection Customer, System Operator and Interconnecting Transmission Owner shall notify Affected System Interconnection Customer as to the status of the Affected System Study. If System Operator and Interconnecting Transmission Owner are unable to complete the Affected System Study within the requisite time period, it shall notify Affected System Interconnection Customer(s), as well as the transmission provider with which Affected System Interconnection Customer seeks to interconnect, and shall provide an estimated completion date with an

explanation of the reasons why additional time is required. If System Operator and Interconnecting Transmission Owner do not meet the deadlines in this section, System Operator and Interconnecting Transmission Owner shall be subject to the financial penalties as described in Section 3.8 of this ETU IP. Upon request, System Operator shall provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with Section 13.1 of this ETU IP.

System Operator and Interconnecting Transmission Owner must study an Affected System Interconnection Customer using the Energy Resource Interconnection Service modeling standard used for Interconnection Requests on the New England Transmission System, regardless of the level of interconnection service that Affected System Interconnection Customer is seeking from the host transmission provider with whom it seeks to interconnect.

9.8 Results Meeting.

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), System Operator, Interconnecting Transmission Owner and Affected System Interconnection Customer(s) shall meet to discuss the results of the Affected System Study.

9.9 Affected System Cost Allocation.

System Operator shall allocate Affected System Network Upgrade costs identified during the Affected System Study to Affected System Interconnection Customer(s) using a Proportional Impact Method, consistent with Schedule 11 of the OATT.

9.10 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement.

System Operator shall tender to Affected System Interconnection Customer(s) an Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, as applicable, in the form of Appendix 9 or 10 to this ETU IP, within thirty (30) Calendar Days of providing the Affected System Study Report. Within ten (10) Business Days of the receipt of the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, the Affected System Interconnection Customer(s) must execute the agreement or request the agreement to be filed unexecuted with FERC. System Operator shall execute the agreement or file the agreement unexecuted within five (5) Business Days after receiving direction from Affected System Interconnection

Customer(s). Affected System Interconnection Customer's failure to execute the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, or failure to request the agreement to be filed unexecuted with FERC, shall result in the loss of its Affected System Queue Position.

9.11 Restudy.

If restudy of the Affected System Study is required, System Operator shall notify Affected System Interconnection Customer(s) in writing within thirty (30) Calendar Days of discovery of the need for restudy. Such restudy shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of restudy shall be borne by the Affected System Interconnection Customer(s) being restudied.

SECTION 10. OPTIONAL INTERCONNECTION STUDY.

10.1 Optional Interconnection Study Agreement.

On or after the date when Interconnection Customer receives Cluster Study Report and no later than five (5) Business Days after the study results meeting to review the report, Interconnection Customer may request in writing, and the System Operator in coordination with the Interconnecting Transmission Owner shall perform, an Optional Interconnection Study. The request shall describe the assumptions that Interconnection Customer wishes the System Operator to study within the scope described in Section 10.2 of this ETU IP. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, the System Operator shall provide to the Interconnecting Transmission Owner and Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 4.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case, and (iii) specify the System Operator's and Interconnecting Transmission Owner's estimate of the cost of the Optional Interconnection Study. To the extent known by the System Operator, such estimate shall include any costs expected to be incurred by any Affected System or Internal Affected System whose participation is necessary to complete the Optional Interconnection Study. The Optional Interconnection Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Optional Interconnection Study,

including the cost of developing the study agreement and its attachment(s). Notwithstanding the above, the System Operator and Interconnecting Transmission Owner shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the required technical data and the refundable deposit for the Optional Interconnection Study to the System Operator. The deposit for the study shall be 100 percent of the estimated cost of the study. Any difference between the study deposit and the actual cost of the Optional Interconnection Study shall be paid by or refunded to Interconnection Customer, except as otherwise provided in Section 13.3. In accordance with Section 13.3, the System Operator and/or the Interconnecting Transmission Owner shall issue to Interconnection Customer an invoice for the costs of the Optional Interconnection Study that have been , or will be incurred by the System Operator and/or the Interconnecting Transmission Owner for the Optional Interconnection Study and the study agreement and its attachments(s). Interconnection Customer shall pay the invoiced amounts, to the extent such amounts are greater than the initial deposit, within thirty (30) Calendar Days of receipt of invoice. The System Operator shall continue to hold the amounts on deposits until settlement of the final invoice with Interconnection Customer and the Interconnecting Transmission Owner.

10.2 Scope of Optional Interconnection Study.

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or Interconnection Service based upon the results of the Optional Interconnection Study. The System Operator shall use Reasonable Efforts to coordinate the study with any Affected Systems and Internal Affected Systems that may be affected by the types of Interconnection Services that are being studied. The System Operator and Interconnecting Transmission Owner shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

The Optional Interconnection Study will consist of a short circuit analysis, a stability analysis, a power flow analysis, including thermal analysis and voltage analysis, a system protection analysis, and any other

analyses that are deemed necessary by the System Operator in consultation with the Interconnecting Transmission Owner.

10.3 Optional Interconnection Study Procedures.

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to the System Operator and Interconnecting Transmission Owner within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study Agreement. The System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed-upon time period specified within the Optional Interconnection Study Agreement. If the System Operator and Interconnecting Transmission Owner are unable to complete the Optional Interconnection Study within such time period, the System Operator shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required. In such circumstances, upon request, the System Operator and Interconnecting Transmission Owner shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study to any third party consultant retained by Interconnection Customer. The recipient(s) of such information shall be subject to the confidentiality provisions of Section 13.1 of this ETU IP and the ISO New England Information Policy, as well as any other applicable requirement under Applicable Laws and Regulations regulating the disclosure or confidentiality of such information. To the extent that any applicable information is not covered by any applicable confidentiality/disclosure requirements, such information may be provided directly to Interconnection Customer.

10.4 Meeting with Parties.

Within ten (10) Business Days of providing an Optional Interconnection Study report to Interconnection Customer, System Operator will convene a meeting of the Interconnecting Transmission Owner, Interconnection Customer, and any Affected Party and Internal Affected Systems as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements to discuss the results of the Optional Interconnection Study.

10.5 Interconnection Agreement Developed Based on Optional Interconnection Study.

If the ETU IA for an Elective Transmission Upgrade is based on the results of an Optional Interconnection Study, the ETU IA shall reflect the conditions studied and any obligations that may involve: (i) additional studies if such conditions change, (ii) operational limits, or (iii) financial support for transmission upgrades.

SECTION 11. ELECTIVE TRANSMISSION UPGRADE INTERCONNECTION AGREEMENT (ETU IA).

11.1 Tender.

Interconnection Customer shall tender comments or provide notice, in writing, to the System Operator and Interconnecting Transmission Owner that Interconnection Customer has no comments on the draft Interconnection Facilities Study Report, within thirty (30) Calendar Days of receipt of the report. Except as provided in the E&P Agreement or any mutual agreement by the entities that would be Parties to the ETU IA, the System Operator shall initiate the development of the ETU IA process within fifteen (15) Calendar Days after the comments are submitted or waived, or within fifteen (15) Calendar Days of notifying System Operator that it will waive the Interconnection Facilities Study by tendering to Interconnection Customer a draft ETU IA, together with draft appendices completed by the System Operator, in conjunction with the Interconnecting Transmission Owner to the extent practicable. The draft ETU IA shall be in the form of the System Operator's Commission-approved standard form ETU IA which is in Appendix 11 to Schedule 25. Interconnection Customer shall return Interconnection Customer specific information required to complete the form of ETU IA, including the appendices, in Appendix 11 of Schedule 25 that Interconnection Customer is willing to execute within thirty (30) Calendar Days after receipt of the draft from the System Operator, unless (1) the sixty (60) Calendar Day negotiation period under Section 11.2 of this ETU IP has commenced, or (2) ETU IA execution, or filing unexecuted, has been delayed to await the Affected System Study Report pursuant to Section 11.2.1 of this ETU IP.

11.2 Negotiation.

Notwithstanding Section 11.1 of this ETU IP, at the request of Interconnection Customer, the System Operator and Interconnecting Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the ETU IA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement or after the Cluster Study and/or Cluster Restudy if Interconnection Customer intends to waive the Interconnection Facilities Study. In the event that Interconnection Customer waives the Interconnection Facilities Study and proceeds directly from the Cluster Study or Cluster Restudy to ETU IA negotiation, Interconnection Customer shall provide an additional deposit that brings the total Commercial Readiness Deposit submitted to the System Operator to ten percent (10%), as required by Section 8.1 of this ETU IP, within thirty (30) Calendar Days of the Cluster Study Report Meeting or Cluster Restudy Report meeting (as applicable). The System Operator,

Interconnection Customer, and Interconnecting Transmission Owner shall negotiate concerning any disputed provisions of the appendices to the draft ETU IA for not more than sixty (60) Calendar Days after tender by the System Operator of the draft ETU IA pursuant to Section 11 of this ETU IP. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft ETU IA pursuant to Section 11.1 of this ETU IP and request submission of the unexecuted ETU IA with the Commission or initiate Dispute Resolution procedures pursuant to Section 13.5 of this ETU IP. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted ETU IA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the ETU IA, requested filing of an unexecuted ETU IA, or initiated Dispute Resolution procedures pursuant to Section 13.5 of this ETU IP within sixty (60) Calendar Days of tender of by the System Operator of the draft ETU IA pursuant to Section 11.1, it shall be deemed to have withdrawn its Interconnection Request. The System Operator and Interconnecting Transmission Owner shall provide to Interconnection Customer a final ETU IA within fifteen (15) Business Days after the mutually agreed completion of the negotiation process.

11.2.1 Delay in ETU IA Execution, or Filing Unexecuted, to Await Affected System Study Report. If Interconnection Customer has not received its Affected System Study Report from the Affected System Operator prior to the date that it would be required to execute its ETU IA (or request that its ETU IA be filed unexecuted) pursuant to Section 11.1 of this ETU IP, System Operator shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying ETU IA execution, or requesting unexecuted filing, to await Affected System Study Report, decides to proceed to ETU IA execution, or request unexecuted filing, without those results, it may notify System Operator of its intent to proceed with ETU IA execution (or request that its ETU IA be filed unexecuted) pursuant to Section 11.1 of this ETU IP. If System Operator determines that further delay to the ETU IA execution date would cause a material impact on the cost or timing of an equal- or lower-queued interconnection customer, System Operator must notify Interconnection Customer of such impacts and set the deadline to execute the ETU IA (or request that the ETU IA be filed unexecuted) to thirty (30) Calendar Days after such notice is provided.

11.3 Evidence to be Provided by Interconnection Customer; Execution and Filing of ETU IA.

11.3.1 Evidence to be Provided by Interconnection Customer.

11.3.1.1 Site Control and ETU IA Deposit. Simultaneously with submitting the executed ETU IA to the System Operator, or within ten (10) Business Days after Interconnection Customer request that the ETU IA be filed unexecuted at the Commission, Interconnection Customer shall provide (A) to the System Operator demonstration of continued Site Control pursuant to Section 8.1(2) of this ETU IP; and (B) to the Interconnecting Transmission Owner, in a form acceptable to the Interconnecting Transmission Owner, the ETU IA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft ETU IA minus the total amount of Commercial Readiness Deposit that Interconnection Customer has provided to the System Operator for its Interconnection Request. Interconnecting Transmission Owner shall use ETU IA Deposits as (or as a portion of) Interconnection Customer's security required under Article 11.5 of the ETUIA. Interconnection Customer may not request to suspend its ETU IA under Article 5.16 of the ETU IA until Interconnection Customer has provided (A) to the System Operator and (B) to the Interconnecting Transmission Owner. If Interconnection Customer fails to provide (A) and (B) within the thirty (30) Calendar Days allowed for returning the executed ETU IA and appendices under Section 11.1 of this ETU IP, or within ten (10) Business Days after Interconnection Customer requests that the System Operator and Interconnecting Transmission Owner file the ETU IA unexecuted at the Commission as allowed in this Section 11.3 of this ETU IP, the Interconnection Request will be deemed withdrawn pursuant to Section 3.6 of this ETU IP.

11.3.1.2 Development Milestones. Simultaneously with submitting the executed ETU IA to the System Operator, or within ten (10) Business Days after Interconnection Customer requests that the ETU IA be filed unexecuted, Interconnection Customer also shall provide to the System Operator reasonable evidence that one or more of the following milestones in the development of the Elective Transmission Upgrade, to be elected by Interconnection Customer, has been achieved: (i) the submission of filings for regulatory siting; (ii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Elective Transmission Upgrade; (iii) execution of an agreement (or comparable evidence) regarding the use of the Elective Transmission Upgrade; (iv) application for environmental or land use permit.

At the same time, Interconnection Customer with an Interconnection Request shall commit to a schedule for the payment of upgrades identified in the Interconnection Studies or an E&P Agreement.

Within fifteen (15) Business Days after receipt of the final ETU IA, an Interconnection Customer with an Interconnection Request studied in a CSIS and CFAC where such studies were triggered prior to the effective date of this ETU IP that provided the additional CETU Participation Deposit in accordance with Section 4.2.4.4 shall provide to the Interconnecting Transmission Owner, in cash, a potentially non-refundable deposit of twenty (20) percent of the total costs for the Interconnection Facilities and other upgrades, including any CETUs, identified in the CFAC, unless the Interconnecting Transmission Owner's expenditure schedule for the Interconnection Facilities and other upgrades calls for an initial payment of greater than twenty (20) percent of the total upgrade costs, in which case the scheduled initial payment must instead be made within the fifteenth Business Day after receipt of the final ETU IA. If Interconnection Customer does not submit this deposit (or make the initial payment) by the fifteenth Business Day after receipt of the final ETU IA, the Interconnection Request shall be automatically withdrawn from the interconnection queue without further opportunity to cure, and Interconnection Customer's initial and additional CETU Participation Deposits shall become non-refundable. The non-refundable initial and additional CETU Participation Deposits shall be re-allocated, according to the cost allocation methodology contained in Schedule 11, to Interconnection Customers with Interconnection Requests included in the cluster at time the facilities proposed in the Interconnection Requests achieve Commercial Operation. If an Interconnection Request is withdrawn after Interconnection Customer's payment of twenty (20) percent of the total cost responsibility for the upgrades to the Interconnecting Transmission Owner, then the payment shall be used to offset the costs of the CETU. Any unspent payments of the total cost responsibility for the upgrades to the Interconnecting Transmission Owner will be refunded to the respective Interconnection Customers that executed the Interconnection Agreement and provided to the Interconnecting Transmission Owner the twenty (20) percent deposit (or initial payment) if all the associated Interconnection Requests are withdrawn from the interconnection queue and the associated Interconnection Agreements are terminated.

11.3.2 Execution and Filing of ETU IA. Within fifteen (15) Business Days after receipt of the final ETU IA, (i) Interconnection Customer and Interconnecting Transmission Owner shall execute three (3) originals of the tendered ETU IA, and return them to the System Operator, who will send an original to Interconnecting Transmission Owner and Interconnection Customer; or (ii) Interconnection Customer shall request in writing that the System Operator and the Interconnecting Transmission Owner jointly file with the Commission an ETU IA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the executed originals of the tendered ETU IA (if it does not conform with a Commission-approved standard form of interconnection agreement) or the request to file an unexecuted ETU IA, the System Operator and Interconnecting Transmission Owner, in accordance with

Section 11.3.3 or Section 11.3.4, as appropriate , shall jointly file the ETU IA with the Commission, together with its explanation of any matters as to which the System Operator, Interconnection Customer or Interconnecting Transmission Owner disagree and support for the costs that the Interconnecting Transmission Owner proposes to charge to Interconnection Customer under the ETU IA. An unexecuted ETU IA should contain terms and conditions deemed appropriate by the System Operator and Interconnecting Transmission Owner for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted ETU IA, they may proceed pending Commission action.

With respect to the interconnection of an Interconnection Customer under Schedule 25, the ETU IA shall be a three-party agreement among the Interconnecting Transmission Owner, the System Operator and Interconnection Customer. If the Interconnecting Transmission Owner, System Operator and Interconnection Customer agree to the terms and conditions of a specific ETU IA, or any amendments to such an ETU IA, then the System Operator and Interconnecting Transmission Owner shall jointly file the executed ETU IA, or amendment thereto, with the Commission under Section 205 of the Federal Power Act. To the extent the Interconnecting Transmission Owner, System Operator and Interconnection Customer cannot agree to proposed variations from the standard form of ETU IA in Appendix 11 or cannot otherwise agree to the terms and conditions of the ETU IA for such Elective Transmission Upgrade, or any amendments to such an ETU IA, then the System Operator and Interconnecting Transmission Owner shall jointly file an unexecuted ETU IA, or amendment thereto, with the Commission under Section 205 of the Federal Power Act and shall identify the areas of disagreement in such filing, provided that, in the event of disagreement on terms and conditions of the ETU IA related to the costs of upgrades to such Interconnecting Transmission Owner's transmission facilities, the anticipated schedule for the construction of such upgrades, any financial obligations of the Interconnecting Transmission Owner, and any provisions related to physical impacts of the interconnection on the Interconnecting Transmission Owner's transmission facilities or other assets, then the standard applicable under Section 205 of the Federal Power Act shall apply only to the Interconnecting Transmission Owner's position on such terms and conditions.

11.3.3 The Interconnecting Transmission Owner, acting on its own or jointly with the System Operator, may initiate a filing to amend this ETU IP and the standard form of ETU IA in Appendix 11 under Section 205 of the Federal Power Act and shall include in such filing the views of System Operator, provided that the standard applicable under Section 205 of the Federal Power Act shall apply only to the Interconnecting Transmission Owner's position on any financial obligations of the Interconnecting

Transmission Owner or Interconnection Customer(s), and any provisions related to physical impacts of the interconnection on the Interconnecting Transmission Owner's transmission facilities or other assets.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final ETU IA, the System Operator, Interconnection Customer and Interconnecting Transmission Owner shall perform their respective obligations in accordance with the terms of the ETU IA, subject to modification by the Commission. Upon submission of an unexecuted ETU IA, the System Operator, Interconnection Customer and Interconnecting Transmission Owner shall promptly comply with the unexecuted ETU IA, subject to modification by the Commission.

11.5 Other Regulatory Arrangements.

Prior to achieving Commercial Operation, the Elective Transmission Upgrade must be under the Operational Authority of the System Operator pursuant to a Transmission Operating Agreement and establish a schedule under the ISO OATT pursuant to which service will be offered over the Elective Transmission Upgrade.

SECTION 12. CONSTRUCTION OF INTERCONNECTING TRANSMISSION OWNER INTERCONNECTION FACILITIES AND NETWORK UPGRADES.

12.1 Schedule.

Interconnection Customer, Interconnecting Transmission Owner and any other Affected Party or Internal Affected Party shall negotiate in good faith concerning a schedule for the construction of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades.

12.2 Construction Sequencing.

12.2.1 General. In general, the Trial Operation Date of an Interconnection Customer seeking interconnection to the Administered Transmission System will determine the sequence of construction of Network Upgrades.

12.2.2 Advance Construction of Network Upgrades that are an Obligation of an Entity other than Interconnection Customer. An Interconnection Customer with an executed or unexecuted, but filed with the Commission, ETU IA, in order to maintain its Trial Operation Date, may request that the Interconnecting Transmission Owner or appropriate Affected Party advance to the extent necessary the

completion of Network Upgrades that: (i) were assumed in the Interconnection Studies for such Interconnection Customer, (ii) are necessary to support such Trial Operation Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than Interconnection Customer that is seeking interconnection to the Administered Transmission System, in time to support such Trial Operation Date. Upon such request, the Interconnecting Transmission Owner or appropriate Affected Party will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay the Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party; (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

The Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party will refund to Interconnection Customer both the expediting costs and the cost of Network Upgrades, in accordance with Article 11.4 of the ETU IA. Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay only that portion of the costs of the Network Upgrades that the Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party has not refunded to Interconnection Customer. Payment by that entity with a contractual obligation to construct such Network Upgrades shall be due on the date that it would have been due had there been no request for advance construction. The Interconnecting Transmission Owner or appropriate Affected Party shall forward to Interconnection Customer the amount paid by the entity with a contractual obligation to construct the Network Upgrades as payment in full for the outstanding balance owed to Interconnection Customer. The Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party then shall refund to that entity the amount that it paid for the Network Upgrades, in accordance with Article 11.4 of the ETU IA.

12.2.3 Advancing Construction of Network Upgrades that are Part of the Regional System Plan of the System Operator. An Interconnection Customer with an ETU IA, in order to maintain its Trial Operation Date, may request that Interconnecting Transmission Owner or appropriate Affected Party advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such Trial Operation Date and (ii) would otherwise not be completed, pursuant to the Regional System Plan, in time to support such Trial Operation Date. Upon such request, the Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay the Interconnecting Transmission Owner or appropriate Affected Party or Internal Affected Party any associated expediting costs.

12.2.4 Amended Cluster Study. A Cluster Study Report will be amended to determine the facilities necessary to support the requested Trial Operation Date. This amended report will include those transmission and Generating Facilities that are expected to be in service on or before the requested Trial Operation Date. The ETU IA will also be amended to reflect the results of the amended Cluster Study and any changes in obligations, including financial support, of the Parties.

SECTION 13. MISCELLANEOUS.

13.1 Confidentiality.

Confidential Information shall include, without limitation, all information treated as confidential under the ISO New England Information Policy, all information obtained from third parties under confidentiality agreements, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by any of the Parties to the others prior to the execution of an ETU IA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by any Party, the other Party(ies) 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.

13.1.1 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the ETU IA; or (6) is required, in

accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the ETU IA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Parties that it no longer is confidential.

13.1.2 Release of Confidential Information. A Party shall not release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights. Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party(ies). The disclosure by each Party to the other Party(ies) 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.

13.1.4 No Warranties. By providing Confidential Information, a Party does not make any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, a Party does not obligate itself to provide any particular information or Confidential Information to the other Party(ies) nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party(ies) under these procedures or its regulatory requirements.

13.1.6 Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires a 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(ies) with prompt notice of such request(s) or requirement(s) so that the other Party(ies) may seek an appropriate protective order or waive compliance with the terms of the ETU IA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

13.1.7 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's(ies') Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party(ies) shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 13.1.

13.1.8 Disclosure to the Commission, its Staff, or a State. Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR section 1b.20, if the Commission or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the ETU IP, the Party shall provide the requested information to the Commission or its staff, within the time provided for in the request for information. In providing the information to the Commission or its staff, the Party must, consistent with 18 CFR. section 388.112, request that the information be treated as confidential and non-public by the Commission and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party(ies) prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Party(ies) to the ETU IA when it is notified by the Commission or its staff that a request to release Confidential Information has been received by the Commission, at which time any of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules, regulations and Section 13.1.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the other Party(ies) to any person not employed or retained by the other Party(ies), 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(ies), such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this ETU IP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party(ies) in writing of the information it claims is confidential. Prior to any disclosures of the other Party's(ies') 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(ies) in writing and agrees to assert confidentiality and cooperate with the other Party(ies) in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

13.1.11 The System Operator and Interconnecting Transmission Owner shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time when Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

The System Operator and Interconnecting Transmission Owner, or any Affected Party or Internal Affected Party may use the services of subcontractors as it deems appropriate to perform its obligations under this ETU IP. The Party using the services of a subcontractor shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this ETU IP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs.

In the event an Interconnection Customer withdraws its Interconnection Request prior to the commencement of the Cluster Study, Interconnection Customer must pay System Operator and Interconnecting Transmission Owner the actual costs of processing its Interconnection Request. In the event an Interconnection Customer withdraws after the commencement of the Cluster Study, the System Operator and the Interconnecting Transmission Owner shall charge, and Interconnection Customer shall pay, the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded to, except as otherwise provided herein, Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. If an Interconnection Customer fails to pay such undisputed costs within the time allotted, its Interconnection Request shall be deemed withdrawn from the Cluster Study Process and will be subject to Withdrawal Penalties pursuant to Section 3.6 of this ETU IP.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 7.4, 7.5, or 8.3 of this ETU IP that the System Operator or Interconnecting Transmission Owner will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 7.4, 7.5, or 8.3 of this ETU IP within the applicable timeframe for such Interconnection Study, then Interconnection Customer may request, which request will not be unreasonably denied, that the System Operator and Interconnecting Transmission Owner utilize a third party consultant reasonably acceptable to the System Operator, Interconnection Customer, Interconnecting Transmission Owner and any appropriate Affected Party or Internal Affected Party, to perform such Interconnection Study under the direction of the System Operator or Interconnecting Transmission Owner as applicable. At other times, System Operator or Interconnecting Transmission Owner may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition. In all cases, use of a third party consultant shall be in accord with Article 26 of the ETU IA (Subcontractors) and limited to situations where the System Operator or Interconnecting Transmission Owner determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request

and not interfere with the System Operator and Interconnecting Transmission Owner's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer, System Operator and Interconnecting Transmission Owner shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. The System Operator and Interconnecting Transmission Owner shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1 of this ETU IP and the ISO New England Information Policy, as well as any other applicable requirement under Applicable Laws and Regulations regulating the disclosure or confidentiality of such information. In any case, such third party contract may be entered into with the System Operator, Interconnection Customer, or Interconnecting Transmission Owner at the System Operator and Interconnecting Transmission Owner's discretion. In the case of (iii) Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this ETU IP, Article 26 of the ETU IA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if the System Operator and Interconnecting Transmission Owner were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes.

The System Operator and Interconnecting Transmission Owner shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

13.5.1 Submission. In the event a Party has a dispute, or asserts a claim, that arises out of or in connection with the ETU IA, the ETU IP, or their performance, such Party (the "Disputing Party") shall provide the other Party(ies) with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim 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(ies). In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's(ies') receipt of the Notice of Dispute, such claim or 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 claim or dispute to arbitration, after thirty (30) Calendar Days, then (i) in the case of disputes arising out of or in conjunction with the ETU IA, the System Operator and Interconnecting Transmission Owner shall jointly file an unexecuted ETU IA, or amendment thereto, with the Commission in accordance with Section 11.3.4, or (ii) in the case of disputes arising out of or in connection with any other matter regarding the administration of the ETU IP, the System Operator may terminate the Interconnection Request and Interconnection Customer may seek relief pursuant to Section 206 of the Federal Power Act. Each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Schedule 25.

13.5.2 External Arbitration Procedures. Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The arbitrator so chosen by the System Operator shall chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable Commission regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 13, the terms of this Section 13 shall prevail.

13.5.3 Arbitration Decisions. Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons for such decision. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the ETU IA and ETU IP and shall have no power to modify or change any provision of the ETU IA and ETU IP 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 the Commission if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

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

13.6 Local Furnishing Bonds.

13.6.1 Facilities Financed by Local Furnishing Bonds. This provision is applicable only to interconnections associated with facilities financed for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of this ETU IA and ETU IP, the Interconnecting Transmission Owner shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this ETU IA and ETU IP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance the Interconnecting Transmission Owner's facilities that would be used in providing such Interconnection Service.

13.6.2 Alternative Procedures for Requesting Interconnection Service. If the Interconnecting Transmission Owner determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance its facilities that would be used in providing such Interconnection Service, it shall advise Interconnection Customer within thirty (30) Calendar Days of receiving notice of the Interconnection Request. Interconnection Customer thereafter may renew its Interconnection Request using the process specified in the Tariff.

13.7 Engineering & Procurement ("E&P") Agreement.

Prior to executing an ETU IA, an Interconnection Customer may request, in order to advance the implementation of its interconnection, and the Interconnecting Transmission Owner and any Affected Party or Internal Affected Party shall offer Interconnection Customer, an E&P Agreement that authorizes the Interconnecting Transmission Owner and any Affected Party or Internal Affected Party to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the Interconnecting Transmission Owner or any Affected Party or Internal Affected Party shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any

milestones or comply with any prerequisites specified in other parts of the ETU IP. The E&P Agreement is an optional procedure and it will not alter Interconnection Customer's Queue Position or Trial Operation Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer, including a deposit of 100 percent of the estimated engineering and study costs, and to make advance payments or provide other satisfactory security for such costs.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or an E&P Agreement is terminated by any Party, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, the Interconnecting Transmission Owner or the Affected Party or Internal Affected Party that is a party to an E&P Agreement may elect: (i) to take title to the equipment, in which event the Interconnecting Transmission Owner or relevant Affected Party or Internal Affected Party shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

APPENDICES TO ETU IP

APPENDIX 1 INTERCONNECTION REQUEST FOR ELECTIVE TRANSMISSION UPGRADE
APPENDIX 2 CLUSTER STUDY AGREEMENT
APPENDIX 3 INTERCONNECTION FACILITIES STUDY AGREEMENT
APPENDIX 4 OPTIONAL INTERCONNECTION STUDY AGREEMENT
APPENDIX 5 TRANSITIONAL CLUSTER STUDY AGREEMENT
APPENDIX 6 TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY AGREEMENT
APPENDIX 7 TWO-PARTY AFFECTED SYSTEM STUDY AGREEMENT
APPENDIX 8 MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT
APPENDIX 9 TWO-PARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

APPENDIX 10 MULTIPARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

APPENDIX 11 ELECTIVE TRANSMISSION UPGRADE INTERCONNECTION AGREEMENT

APPENDIX 1

INTERCONNECTION REQUEST

FOR ELECTIVE TRANSMISSION UPGRADE

The undersigned Interconnection Customer submits this request to interconnect its Elective Transmission Upgrade ("ETU") to the Administered Transmission System under Schedule 25 – Elective Transmission Upgrade Interconnection Procedures ("ETU IP") of Section II to the ISO New England Inc. Transmission, Markets and Services Tariff (the "Tariff"). Capitalized terms have the meanings specified in the Tariff.

PROJECT INFORMATION

Proposed Project Name: _____

Description of the ETU (*select one of a, b, c, d, or e):*

a. ____Addition of a specific technology:

Type of new facility *(check all applicable)*:

____DC ____AC ____controllable ____non-controllable ____Other (Explain):

Address(es) or Location(s) of the ETU (including Town/City, County & State or a map detailing such information):

Location(s) of the proposed Point(s) of Interconnection and associated terminals:

Transmission transfer capability, including:

i. **Energy transfer capability and direction(s) of flow**

ii. **Capacity transfer capability and direction(s) of flow**

iii. **Other:**

Indicate whether the study should consider:

i. **Both directions of flow**

ii. **One direction of flow only**

iii. **Explain:**

b. **____ Modification to existing PTF, MTF or OTF that is part of or interconnected to the Administered Transmission System. Explain.**

c. **____Specific performance objective associated with specific Generating Facility(ies)/resources:**

Identify Generating Facility(ies)/resources, including Queue Positions:

Identify the specific performance goals/objectives of the ETU (e.g., energy integration):

d. ____Increase in transfer capability between points, including:

i. Transfer points (from/to)

ii. Energy transfer capability increase and direction(s) of flow

iii. Capacity transfer capability increase and direction(s) of flow

iv. Other

e. ____Other specific and clearly described discrete objective:

Requested Dates:

Commercial Operation: _____

Trial Operation: _____

In-Service: _____

This request is for (*check either Internal ETU or External ETU options*):

1) ____An <u>Internal ETU</u> (*check one*):

i. ____The interconnection of proposed new (*check one*):

____PTF; or

____OTF or MTF.

ii. ____A modification to, an increase in the transmission capability of, or other specific proposed objective associated with *(check one*):

____existing internal PTF; or

____existing internal MTF or OTF that is interconnected to the Administered Transmission System.

2) ____An <u>External ETU</u> *(check one and specify the other Control Area interconnecting to*_____)

i. ____The interconnection of proposed new *(check one):*

____PTF; or

____ OTF or MTF.

ii. ____A modification to, an increase in the transmission capability of, or other specific proposed objective associated with (*check one):*

____existing external PTF; or

____existing external MTF or OTF.

iii. _____A change from NI Interconnection Service to CNI Interconnection Service for a controllable MTF or OTF (no physical change to facilities).

For External controllable OTF or MTF in the importing direction, applicant requests (*check one NI or CNI*):

____NI Interconnection Service (i.e., energy only): _____ MW

____CNI Interconnection Service (i.e., capacity and energy): _____ MW

☐ **Interconnection Customer requests to be downgraded to NI Interconnection Service where violations are identified in the thermal analysis associated with CNI Interconnection Service testing**

Evidence of Site Control *(check one)*:

a. **____If for CNI Interconnection Service, Site Control is included with this Interconnection Request form, as required.**

b. **____If for NI Interconnection Service *(check one):***

   i. **___Site Control is provided with this Interconnection Request form.**

   ii. **___In lieu of evidence of Site Control, a $10,000 deposit is provided with this Interconnection Request form (refundable within the cure period as described in Section 3.3.2 of the ETU IP).**

   iii. **___Site Control is not provided because the proposed modification is either: a) to existing MTF, OTF or PTF and by checking this option, Interconnection Customer certifies that the proposed modification does not require additional real property, or b) to PTF and Interconnection Customer does not own such PTF.**

The ETU technical data specified within the applicable attachment to this form is required to be included with the submittal of this Interconnection Request.

CUSTOMER INFORMATION

	Interconnection Customer	**Customer Representative**
Company Name:		
Address: (PO Box)		
(Street)		
(City, State, ZIP)		
Phone:		
FAX:		
Email:		

ISO Customer ID# (if available):_____

This Interconnection Request is submitted by:

Authorized Signature:_____ **Date:** _____

Name (type or print):_____

Title:_____

Company:_____

In order for an Interconnection Request to be considered a valid request, it must include:

(a) all required deposits provided electronically and may be refundable in accordance with Section 3.3.2 of the ETU IP;

(b) Required Cluster Study Deposit and may be refundable in accordance with Section 3.3.2 of the ETU IP that is provided electronically;

(c) Commercial Readiness Deposit and may be refundable in accordance with Section 3.3.2 of the ETU IP;

(d) For CNI Interconnection Service, upload documentation demonstrating 100% Site Control in accordance with Section 3.3.2. If for NI Interconnection Service upload documentation demonstrating 100% Site Control in accordance with Section 3.3.2 (iv) or (1) a signed affidavit from an officer of Interconnection Customer indicating that Site Control is unobtainable due to Regulatory Limitations as such term is defined by the System Operator; and (2) documentation sufficiently describing and explaining the source and effects of such Regulatory Limitations, including a description of any conditions that must be met to satisfy the Regulatory Limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements and (3) a cash deposit in lieu of Site Control of $10,000 per MW, subject to a minimum of $500,000 and a maximum of $2,000,000. An Interconnection Customer does not need to demonstrate Site Control for an Interconnection Request for a modification to its existing PTF, MTF or OTF facility where Interconnection Customer has certified that it has Site Control and that the proposed modification does not require additional real property;

(e) Include a detailed map, such as a map of the quality produced by the U.S. Geological Survey, which clearly indicates the site of the new facility and pertinent surrounding structures;

(f) Include a one-line diagram of the facilities; and

(g) Include all information required on the Interconnection Request form and any attachments thereto.

The Interconnection Request and attachments thereto must be submitted to the System Operator via the Interconnection Request Tracking Tool or IRTT, a web-based application for submitting, tracking and viewing Interconnection Requests available on the ISO New England website.

In addition, within sixty (60) days of submitting an Interconnection Request to the System Operator, the Interconnection Customer with a request for an External ETU, shall provide evidence that it has submitted a valid request with the other Control Area to which it seeks to interconnect.

Attachment A
to Appendix 1
Interconnection Request
Technical Data Required For
Cluster Study

The technical data required below must be inputted directly into IRTT and submitted with the Interconnection Request pursuant to Section 3.3.2 of the ETU IP. Submit additional data sheets as necessary.

ELECTIVE TRANSMISSION UPGRADES:

GEOGRAPHIC MAP
Geographic map which clearly illustrates the location of the proposed Elective Transmission Upgrade facilities and which includes the location of the proposed Point(s) of Interconnection and a specific transmission line or transmission cable route if applicable.
ONE LINE DIAGRAM
Detailed one-line diagram of the proposed Elective Transmission Upgrades facilities showing the connectivity between all new proposed equipment (i.e., circuit breakers, instrument transformers, surge arresters, transformers, shunt-connected capacitor banks, shunt-connected reactors, dynamic reactive power supply systems, transmission lines, etc.) and the proposed bus configuration at the Point(s) of Interconnection. Equipment grounding configuration should be depicted on the one-line (i.e., for transformers show winding and grounding arrangement)
PROPOSED POINT(S) OF INTERCONNECTION ***(include additional points as necessary)***
Point of Interconnection A:
Voltage Level: _____kV
Point of Interconnection B:

Voltage Level: _____Kv
Point of Interconnection C:
Voltage Level: _____kV
AC TRANSMISSION LINE DATA ***(include data for segments between the POI and converter station(s) as necessary)***
Transmission line length: _____Miles
AC transmission tower design illustrating tower type, conductor type, number of conductors per bundle, spacing of conductors within bundle, phase spacing between conductors or conductor bundles, and conductor or conductor bundle clearances.
Voltage level: _____kV
Transmission line MVA base: _____ MVA
Positive sequence impedances on transmission line MVA base: R: _____ p.u. X:_____ p.u. B:_____ p.u.
Zero sequence impedances on transmission line MVA base): R: _____ p.u. X:_____ p.u. B:_____ p.u.
Line Rating: Normal/LTE/STE Rating _____ MVA / _____ MVA /_____ MVA
TRANSFORMER DATA ***(include data for converter station power transformer(s) as necessary)***
Transformer Rating: OA/FA/FOA Rating _____ MVA / _____ MVA /_____ MVA
Voltage Ratio: High-side/Low-side/Tertiary _____kV /_____kV /_____kV
Winding Connections (Delta, Wye, or Wye-Grounded):

High-side Winding / Low-side Winding / Tertiary Winding _____ / _____ / _____
Fixed or Variable Taps:
Tap Range:
Two-Winding Transformer Impedances: Positive Sequence Impedance on transformer OA MVA base: _____% _____ X/R Zero Sequence Impedance on transformer OA MVA base: _____% _____ X/R
Three-Winding Transformer Impedances:
Positive Sequence Impedance on transformer OA MVA base $Z1_{H-L}$ (on self-cooled MVA rating) _____%, X/R _____ $Z1_{H-T}$ (on self-cooled MVA rating) _____%, X/R _____ $Z1_{L-T}$ (on self-cooled MVA rating) _____%, X/R _____
Zero Sequence Impedance on transformer OA MVA base $Z0_{H-L}$ (on self-cooled MVA rating) _____%, X/R _____ $Z0_{H-T}$ (on self-cooled MVA rating) _____%, X/R _____ $Z0_{L-T}$ (on self-cooled MVA rating) _____%, X/R _____
FIXED OR SWITCHED SHUNT CAPACITOR BANK DATA
Capacitor Bank Rating: _____ MVAr
Positive sequence susceptance on capacitor bank rating base: B:_____ p.u.
Zero sequence susceptance on capacitor bank rating base: B:_____ p.u.
FIXED OR SWITCHED SHUNT REACTOR DATA
Nameplate Reactor Rating: _____ MVAr

Positive sequence susceptance on reactor rating base: B:_____ p.u.
Zero sequence susceptance on reactor rating base: B:_____ p.u.
DYNAMIC SHUNT REACTIVE SUPPLY SYSTEM
Device Type (i.e., SVC, STATCOM, etc.):
Reactive power supply reference point:
Maximum leading reactive power supply capability: _____ MVAr
Maximum lagging reactive power supply capability: _____ MVAr
DC TRANSMISSION SYSTEMS (LINE-COMMUTATED CONVERTER TECHNOLOGY)
Nameplate power transmission capacity: _____ MW _____ MVA
Minimum power transmission capacity: _____MW
Maximum power transmission ramp rate: _____MW/min
Point-to-point or back-to-back transmission:
Monopolar or bipolar transmission configuration:
Unidirectional or bidirectional power transmission: (identify rectifier station for detail to be submitted below):
Rated DC voltage: _____ kV
Rated DC current: _____ A
Power controlling converter station and real power reference location:
Converter station losses (including auxiliary power demand) at nameplate power: Rectifier: _____ kW Inverter: _____ kW

Transmission line or cable losses at nameplate power: _____kW
Nominal rectifier firing angle (alpha): _____ deg
Nominal inverter extinction angle (gamma): _____ deg

Converter station total reactive power supply (including filtering system) at nameplate active power: Rectifier: _____ MVAr Inverter: _____MVAr
Number of switched filter or reactive power supply devices: Rectifier: _____ Inverter:_____
Size of largest switched filter or reactive power supply device: Rectifier:_____ MVAr Inverter: _____ MVAr
DC transmission tower design illustrating tower type, conductor type, number of conductors, spacing between pole conductors or conductor bundles, and conductor or conductor bundle clearances.
DC cable design illustrating cable type, cable spacing, and underground or submarine installation design.
Pole conductor resistance at maximum operating temperature: _____ ohms
DMNR conductor resistance at maximum operating temperature : _____ ohms
DC TRANSMISSION SYSTEMS (VOLTAGE SOURCE CONVERTER TECHNOLOGY)
Nameplate power transmission capacity: _____ MW _____ MVA
Point-to-point or back-to-back transmission:

Transmission configuration (i.e., mono-pole, bi-pole or other):
Unidirectional or bidirectional power transmission: (identify rectifier station for detail to be submitted below):
Maximum power transmission ramp rate: _____ MW/min
Rated DC voltage: _____ kV
Rated DC current: _____ A
Real power controlling converter and reference location:
Converter station losses (including auxiliary power demand) at nameplate power: _____ kW
Transmission line or cable losses at nameplate power: _____kW
Passive filter size: Rectifier: Fixed: ____MVAr Switched at de-block: _____MVAr Inverter: Fixed: ____MVAr Switched at de-block: _____MVAr
Maximum converter station leading reactive power supply (including filtering system) at the network side of the power transformer and at nameplate active power: Rectifier:_____ MVAr Inverter: _____MVAr

Maximum converter station lagging reactive power supply (including filtering system) at the network side of the power transformer and at nameplate active power: Rectifier:_____ MVAr Inverter: _____MVar
Provide reactive capability curve.
DC transmission tower design illustrating tower type, conductor type, number of conductors, spacing between pole conductors or conductor bundles, and conductor or conductor bundle clearances.
DC cable design illustrating cable type, cable spacing, and underground or submarine installation design.
Pole conductor resistance at maximum operating temperature: _____ ohms
POWER SYSTEM SIMULATION MODELS
Completed, fully-functioning, public (*i.e.*, non-proprietary or non-confidential) Siemens PTI's ("PSS/E") power flow models or other compatible formats, such as IEEE and General Electric Company Power Systems Load Flows ("PSLF") data sheet, must be supplied with this Attachment A. If additional public data sheets are more appropriate to the proposed device, then they shall be provided. For all Interconnection Studies commencing after January 1, 2017, all power flow models must be standard library models in PSS/E or applicable applications. After January 1, 2017, user-models will not be accepted. When proxy generation is submitted, it must meet the data and modeling requirements of Schedule 22. ***MODELS FOR NON-SYNCHRONOUS GENERATORS*** Models that meet the requirements of ISO New England Planning Procedures: 1. an appropriately parameterized library RMS positive sequence dynamics model, including model block diagram of the inverter control and plant control systems, as defined by the selection in Table 1, a model otherwise approved by the Western Electricity Coordinating Council, or a model as otherwise reviewed and deemed acceptable by System Operator that corresponds to Interconnection Customer's ETU and proxy Generating Facility, if applicable, and,

2. a validated user-defined model where one exists for the equipment (i.e. where the manufacturer attests that a library model may fully capture the behavior of the equipment). The user model will only be used for the fuller understanding of equipment behavior and will not be used to finalize the upgrade requirements in the Cluster Study and will not be added to base cases going forward.
3. A validated electromagnetic transient model

Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from Interconnection Customer that the model accurately represents the entire ETU and proxy Generating Facility, if applicable; attestations from each equipment manufacturer that the user defined model accurately represents the component of the ETU and proxy Generating Facility, if applicable; or test data).

Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models

GE PSLF	**Siemens PSS/E***	**PowerWorld Simulator**	**Description**
pvd1		PVD1	Distributed PV system model
der_a	DERAU1	DER_A	Distributed energy resource model
regc_a	REGCAU1, REGCA1	REGC_A	Generator/converter model
regc_b	REGCBU1	REGC_B	Generator/converter model
wt1g	WT1G1	WT1G and WT1G1	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generat
wt2g	WT2G1	WT2G and WT2G1	Generator model for generic Type-2 wind turbines
wt2e	WT2E1	WT2E and WT2E1	Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g
reec_a	REECAU1, REECA1	REEC_A	Renewable energy electrical control model
reec_c	REECCU1	REEC_C	Electrical control model for battery energy storage system
reec_d	REECDU1	REEC_D	Renewable energy electrical control model

wt1t	WT12T1	WT1T and WT12T1	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)	
wt1p_b	wt1p_b	WT12A1U_B	Generic wind turbine pitch controller for WTGs of Types 1 and 2	
wt2t	WT12T1	WT2T	Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance)	
wtgt_a	WTDTAU1, WTDTA1	WTGT_A	Wind turbine drive train model	
wtga_a	WTARAU1, WTARA1	WTGA_A	Simple aerodynamic model	
wtgp_a	WTPTAU1, WTPTA1	WTGPT_A	Wind Turbine Generator Pitch controller	
wtgq_a	WTTQAU1, WTTQA1	WTGTRQ_A	Wind Turbine Generator Torque controller	
wtgwgo_a	WTGWGOAU	WTGWGO_A	Supplementary control model for Weak Grids	
wtgibffr_a	WTGIBFFRA	WTGIBFFR_A	Inertial-base fast frequency response control	
wtgp_b	WTPTBU1	WTGPT_B	Wind Turbine Generator Pitch controller	
wtgt_b	WTDTBU1	WTGT_B	Drive train model	
repc_a	Type 4: REPCAU1 (v33), REPCA1 (v34) Type 3: REPCTAU1 (v33), REPCTA1 (v34)	REPC_A	Power Plant Controller	

repc_b	PLNTBU1	REPC_B	Power Plant Level Controller for controlling several plants/devices In regard to Siemens PSS/E*: Names of other models for interface with other devices: REA3XBU1, REAX4BU1- for interface with Type 3 and 4 renewable machines SWSAXBU1- for interface with SVC (modeled as switched shunt in powerflow) SYNAXBU1- for interface with synchronous condenser FCTAXBU1- for interface with FACTS device
repc_c	REPCCU	REPC_C	Power plant controller

OTHER TRANSMISSION FACILITY DATA

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 Cluster Study.

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Attachment A to the Interconnection Request is true and accurate.

For Interconnection Customer:_____ Date:_____

Attachment A-2
To Attachment A of Appendix 1
Cluster System Impact Study

Application Form

CLUSTER SYSTEM IMPACT STUDY APPLICATION FORM

The undersigned Interconnection Customer submits this form to request the inclusion of the Interconnection Request for its Elective Transmission Upgrade in a Cluster Interconnection System Impact Study pursuant to Section 4.2.3.2.2 of this ETU IP.

To be included in a Cluster Interconnection System Impact Study, the following must be submitted together with this form to the System Operator by the Cluster Entry Deadline:

1. Project Information:
   1.3 Project Name:_____
   1.4 Queue Position:_____
   1.5 Is the Interconnection Request contractually associated with an Interconnection Request for a Generating Facility? Yes ____ No ____
   If yes, identify Queue Position of the associated Interconnection Request and provide evidence of the contractual commitment. Queue Position No.: _____

2. Initial CETU Participation Deposit as specified in Section 4.2.3

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this form is true and accurate.

For Interconnection Customer:_____Date:_____

APPENDIX 2

CLUSTER 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 to perform a Cluster Study to assess the impact of interconnecting the Elective Transmission Upgrade to the Administered Transmission System, and any Internal Affected Systems.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the Commission-approved Elective Transmission Upgrade Interconnection Procedure ("ETU IP").

2.0 Interconnection Customer elects and System Operator and Interconnecting Transmission Owner shall cause to be performed a Cluster Study consistent with Section 7.0 of the ETU IP in accordance with the Tariff.

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

4.0 The Cluster Study will be based upon the technical information provided by Interconnection Customer in Attachment A to the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the ETU IP. 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 Cluster Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

5.0 The Cluster Study Report shall provide the following information:

- identification of any circuit breaker or other facility short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload of any transmission facility or system voltage limit violations resulting from the interconnection;
- identification of Contingent Facilities;
- initial review of grounding requirements and electric system protection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
- description and non-binding, good faith 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, instability, and power flow issues.

6.0 The Interconnection Customer is providing a deposit equal to the greater of 100 percent of the estimated cost of the Interconnection System Impact Study or $250,000.

The deposit shall be applied toward the cost of the Cluster Study and the development of this Cluster Study Agreement and its attachment(s) and the ETU IA. Interconnecting Transmission Owner's and System Operator's good faith estimate for the times of commencement and completion of the Interconnection System Impact Study is [insert dates].

The total estimated cost of the performance of the Interconnection System Impact 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 Cluster Study shall be paid by or refunded to the Interconnection Customer, as appropriate.

Upon receipt of the Cluster Study, System Operator and Interconnecting Transmission Owner shall charge and the Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study.
System Operator and Interconnecting Transmission Owner may, in the exercise of reasonable discretion, invoice the Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection System Impact Study each month. Interconnection Customer shall pay any invoiced amounts within thirty (30) Calendar Days of receipt of the invoice.

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

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 System Impact 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 System Impact Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Interconnection System Impact 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 System Impact Study, the content of the Interconnection System Impact Study, or the conclusions of the Interconnection System Impact 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, an Interconnecting Transmission Owner or any 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 Owners 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 System Impact 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 System Impact 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 THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[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:_____

Attachment A
To Appendix 2
Cluster
Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE CLUSTER STUDY

The Cluster Study will be based upon the *technical information provided by Interconnection Customer in the Interconnection Request*, subject to any modifications in accordance with Section 4.4 of the ETU IP, and the following assumptions:

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]

APPENDIX 3

INTERCONNECTION FACILITIES 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, System Operator and Interconnecting Transmission Owner have completed a Cluster Study and provided the results of said study to the Interconnection Customer; and

WHEREAS, Interconnection Customer has requested System Operator and Interconnecting Transmission Owner to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study in accordance with Good Utility Practice to physically and electrically connect the Elective Transmission Upgrade to the Administered Transmission System.

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

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in 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 an Interconnection Facilities Study consistent with Section 8.0 of the ETU IP to be performed in accordance with the Tariff.

3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.

4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities to interconnect the Elective Transmission Upgrade to the Administered Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Impact Study.

5.0 The Interconnection Customer is providing a *Commercial Readiness Deposit per Section 8.1 of this ETU IP to enter* the Interconnection Facilities Study and a deposit equal to the greater of 25 percent of the estimated cost of the Interconnection Facilities Study or $250,000.

The deposit shall be applied toward the cost of the Interconnection Facilities Study and the development of this Interconnection Facilities Study Agreement and its attachment(s) and the ETU IA. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

The total estimated cost of the performance of the Interconnection Facilities 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 Facilities Study shall be paid by or refunded to the Interconnection Customer, as appropriate. Upon receipt of the Interconnection Facilities Study, System Operator and Interconnecting Transmission Owner shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study. System Operator and Interconnecting Transmission Owner may, in the exercise of reasonable discretion, invoice the Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay any invoiced amounts within thirty (30) Calendar Days of receipt of the invoice.
In accordance with the ETU IP, in performing the Interconnection Facilities Study, Interconnecting Transmission Owner and System Operator shall coordinate with Affected Parties, 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 Miscellaneous.

6.1 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.

6.2 Disclaimer of Warranty. In preparing and/or participating in the Interconnection Facilities 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 Facilities Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Interconnection Facilities 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 Facilities Study, the content of the Interconnection Facilities Study, or the conclusions of the Interconnection Facilities 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.

6.3 Force Majeure, Liability and Indemnification.

6.3.1 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.

6.3.2 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or any 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.

6.3.3 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.

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

6.5 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 Facilities 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.

6.6 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.

6.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed

severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.

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

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

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

6.11 Independent Contractor. 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.

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

6.13 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.

6.14 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:_____

Attachment A
To Appendix 3
Interconnection Facilities
Study Agreement

INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

Interconnection Customer elects (check one):

b. +/- 20 percent cost estimate contained in the Interconnection Facilities Study report.

c. +/- 10 percent cost estimate contained in the Interconnection Facilities Study report.

Interconnecting Transmission Owner and System Operator shall complete the study and issue a draft Interconnection Facilities Study Report to the Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report, or

- one hundred eighty (180) Calendar Days with no more than a +/- 10 percent cost estimate contained in the report.

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER
WITH THE
INTERCONNECTION FACILITIES STUDY AGREEMENT

Provide location plan and simplified one-line diagram of the Elective Transmission Upgrade, including terminal facilities. For staged projects, please indicate future equipment, etc.

One set of metering is required for each ETU connection to the new ring bus or existing New England Transmission System station. Number of connections:

On the one line indicate the required capacity attached at each metering location. (Maximum load on Current Transformer/Power Transformer ("CT/PT"))

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

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

Will a transfer bus on the ETU side of the metering require that each meter set be designed for the total ETU capacity? Yes _____ No _____

(Please indicate on one line).

What type of control system or Power Line Carrier ("PLC") will be located at the Interconnection Customer's ETU?

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from facility to interconnection station:

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

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with System Operator and Interconnecting Transmission Owner.

Is the ETU in Interconnecting Transmission Owner's service area?
Yes _____ No _____ Local provider:

Please provide proposed schedule dates:
Begin Construction Date:
Trial Operation Date:
Commercial Operation Date:

APPENDIX 4

OPTIONAL INTERCONNECTION 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 is proposing to establish an interconnection to the Administered Transmission System; and

WHEREAS, Interconnection Customer has submitted to System Operator an Interconnection Request; and

WHEREAS, on or after the date when the Interconnection Customer receives the Interconnection System Impact Study results, Interconnection Customer has further requested that the System Operator and Interconnecting Transmission Owner prepare an Optional Interconnection Study.

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 an Optional Interconnection Study consistent with Section 10.0 of the ETU IP to be performed in accordance with the Tariff.

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

4.0 The Optional Interconnection Study shall be performed solely for informational purposes.

5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or Interconnection Service based upon the assumptions specified by the Interconnection Customer in Attachment A.

In accordance with the ETU IP, in performing the Optional Interconnection Study, the System Operator shall coordinate with Interconnecting Transmission Owner and Affected Parties and Internal 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 a deposit equal to 100 percent of the estimated cost of the study. Interconnecting Transmission Owner's and System Operator's good faith estimate for the time of completion of the Optional Interconnection Study is [insert date].

The total estimated cost of the performance of the Optional Interconnection 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 initial payment and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate. Upon receipt of the Optional Interconnection Study, System Operator and Interconnecting Transmission Owner shall charge and the Interconnection Customer shall pay the actual costs of the Optional Interconnection Study. Interconnection Customer shall pay any invoiced amounts within thirty (30) Calendar Days of receipt of 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 Optional Interconnection 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 Optional Interconnection Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Optional Interconnection 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 Optional Interconnection Study, the content of the Optional Interconnection Study, or the conclusions of the Optional Interconnection 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or any 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 Owners 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 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 Owners 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 Optional Interconnection 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 Optional Interconnection 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 instances; 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:_____

Attachment A

Appendix 4

Optional Interconnection

Study Agreement

ASSUMPTIONS USED IN CONDUCTING

THE OPTIONAL INTERCONNECTION STUDY

[To be completed by Interconnection Customer consistent with Section 10 of the ETU IP.]

APPENDIX 5 to ETU IP
TRANSITIONAL CLUSTER 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"). System Operator, Interconnection Customer and Interconnecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Elective Transmission Upgrade or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____;

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

WHEREAS, Interconnection Customer has requested Interconnecting Transmission Owner and System Operator to perform a "Transitional Cluster Study," which combines the Cluster Study and Interconnection Facilities Study, in a single cluster study, followed by any needed restudies, to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to physically and electrically connect the Elective Transmission Upgrade to the Administered Transmission System; and

WHEREAS, Interconnection Customer has a valid Queue Position as of the {Transmission Provider to insert effective date of compliance filing}.

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 this ETU IP.

2.0 Interconnection Customer elects, and System Operator shall cause to be performed, a Transitional Cluster Study, and Interconnection Customer elects that System Operator study the Large Generating Facility's request for.

_____ Network Import Interconnection Service (energy capability only)

_____ Capacity Network Import Interconnection Service (energy capability and capacity capability)

☐ Interconnection Customers seeking to complete studies for CNIIS for Interconnection Requests for which NIIS milestones have already been completed shall check this box and fill in the table below

Service Level	**Requested Net MW Capability at the Point of Interconnection**
CNI Capability Summer	
CNI Capability Winter	

☐ Interconnection Customer requests to be downgraded to NI Interconnection Service where violations are identified in the thermal analysis associated with CNI Interconnection Service testing

3.0 The Transitional Cluster Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request. System Operator reserves 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 Transitional Cluster Study and Interconnection Customer shall provide such data as quickly as reasonable.

4.0 Pursuant to Section 5.1.1.2 of this ETU IP, the interim Transitional Cluster Study Report shall provide the information below:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and

- Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades that are expected to be required as a result of the Interconnection Request(s) and a non-binding, good faith estimate of cost responsibility and a non-binding, good faith estimated time to construct.

5.0 Pursuant to Section 5.1.1.2 of this ETU IP, the final Transitional Cluster Study Report shall: (1) provide all the information included in the interim Transitional Cluster Study Report; (2) provide a description of, estimated cost of, and schedule for required facilities to interconnect the Generating Facility to the Transmission System; and (3) address the short circuit, instability, and power flow issues identified in the interim Transitional Cluster Study Report.

6.0 Interconnection Customer has met the requirements described in Section 5.1.1.2 of this ETU IP.

7.0 Interconnection Customer previously provided a deposit for the performance of Interconnection Studies. Interconnection Customer shall provide additional study deposits in the form described in Section 5.1.1.2. System Operator may invoice for additional costs as appropriate such that Interconnection Customer shall pay the actual

costs of the Transitional Cluster Study. Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, in accordance with the provisions of Section 13.3 of this ETU IP.

8.0 Miscellaneous.

8.1 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.

8.2 Disclaimer of Warranty. In preparing and/or participating in the Transitional Cluster 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 Transitional Cluster Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Transitional Cluster 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 Transitional Cluster Study , the content of the Transitional Cluster Study , or the conclusions of the Transitional Cluster Study . Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

8.3 Force Majeure, Liability and Indemnification.

8.3.1 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.

8.3.2 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or any 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.

8.3.3 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless System Operator and the Interconnecting Transmission Owners 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 Owners 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.

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

8.5 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 Transitional Cluster 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.

8.6 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.

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

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

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

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

8.11 Independent Contractor. 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.

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

8.13 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.

8.14 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.

ISO New England Inc.
By: ___

Title: _

Date: _

{Insert name of Interconnecting Transmission Owner }

By: ___

Title: _

Date: _

{Insert name of Interconnection Customer}

By: ___

Title: _

Date: _

APPENDIX 6 to ETU IP

TRANSITIONAL SERIAL INTERCONNECTION FACILITIES 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"). Interconnection Customer, System Operator, and Interconnecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Elective Transmission Upgrade or generating capacity addition to an existing Elective Transmission Upgrade consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the Elective Transmission Upgrade with the Interconnecting Transmission Owner's Transmission System; and

WHEREAS, Interconnection Customer has requested System Operator and Interconnecting Transmission Owner to continue processing its Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the final interconnection system impact study (from the previously effective serial study process) in accordance with Good Utility Practice to physically and electrically connect the Elective Transmission Upgrade to the Transmission System; and

WHEREAS, System Operator has provided an Interconnection Facilities Study Agreement to the Interconnection Customer on or before {Transmission Provider to insert effective date of compliance filing}.

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 this ETU IP.

2.0 Interconnection Customer elects and Interconnecting Transmission Owner shall cause to be performed an Interconnection Facilities Study consistent with Section 8 of this ETU IP.

3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A to this Agreement, which shall be the same assumptions as the previous Interconnection Facilities Study Agreement executed by the Interconnection Customer.

4.0 The Interconnection Facilities Study Report shall: (1) provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities to interconnect the Large Generating Facility to the Administered Transmission System; and (2) address the short circuit, instability, and power flow issues identified in the most recently published Cluster Study Report.

5.0 Interconnection Customer has met the requirements described in Section 5.1.1.1 of this ETU IP. The time for completion of the Interconnection Facilities Study is specified in Attachment A, and shall be no later than 150 Calendar Days after {System Operator to insert effective date accepted on compliance}.

6.0 Interconnection Customer previously provided a deposit of _____ dollars ($___) for the performance of the Interconnection Facilities Study.

7.0 Upon receipt of the Interconnection Facilities Study results, Interconnecting Transmission Owner shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study.

8.0 Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

9.0 Miscellaneous.

9.1 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.

9.2 Disclaimer of Warranty. In preparing and/or participating in the Interconnection Facilities 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 Facilities Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Interconnection Facilities 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 Facilities Study, the content of the Interconnection Facilities Study, or the conclusions of the Interconnection Facilities 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.

9.3 Force Majeure, Liability and Indemnification.

9.3.1 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.

9.3.2 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner

or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or any 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.

9.3.3 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless System Operator and the Interconnecting Transmission Owners 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 Owners 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.

9.4 Third-Party Beneficiaries. Without limiting Sections 7.2 and 7.3 of this Agreement, the Parties agree that subcontractor consultants hired by them to conduct, participate in,

review, or to assist in the conducting, participating in, or reviewing of, an Interconnection Facilities Study shall be deemed third party beneficiaries of Sections 7.2 and 7.3.

9.5 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 Facilities 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.

9.6 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.

9.7 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.

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

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

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

9.11 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.

9.12 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.

9.13 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.

9.14 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.

{Insert name of Interconnecting Transmission Owner **}**

By: ___

Title: _

Date: _

ISO New England Inc.

By: ___

Title: _

Date: _

{Insert name of Interconnection Customer}

By: ___

Title: _

Date: _

Attachment A to Appendix 6
Transitional Serial Interconnection Facilities Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE TRANSITIONAL SERIAL INTERCONNECTION FACILITIES STUDY

{Assumptions to be completed by Interconnection Customer and Interconnecting Transmission Owner}

APPENDIX 7 to ETU IP

TWO-PARTY AFFECTED SYSTEM 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 _____ (Affected System Interconnection Customer) and _____, a _____ organized and existing under the laws of the State of _____ (System Operator). Affected System Interconnection Customer and System Operator each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host transmission provider}, dated _____, for which {name of host transmission provider} found impacts on New England Transmission System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} with {name of host transmission provider}'s transmission system;

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 this ETU IP.

2.0 System Operator shall coordinate with Affected System Interconnection Customer to perform an Affected System Study consistent with Section 9 of this ETU IP.

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

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customer and {name of host transmission provider}. System Operator reserves the right to request additional technical information from Affected System Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.

5.0 The Affected System Study shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;

- non-binding, good faith estimated cost and time required to construct facilities required on the New England Transmission System to accommodate the interconnection of the {generating facility} to the transmission system of the host transmission provider; and

- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customer shall provide a deposit of _____ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customer, System Operator shall charge, and Affected System Interconnection Customer shall pay, the actual cost of the

Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study shall be paid by or refunded to Affected System Interconnection Customer, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

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 Affected System Study Agreement, 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 Affected System Study Agreement (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Affected System Study Agreement), 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 Affected System Study Agreement, the content of the Affected System Study Agreement, or the conclusions of the Affected System Study Agreement. 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting Transmission Owner or any 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 Owners 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 Owners 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 limiting Sections 7.2 and 7.3 of this Agreement, the Parties agree that subcontractor consultants hired by them to conduct, participate in, review, or to assist in the conducting, participating in, or reviewing of, an Affected System Study Agreement 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 Affected System Study Agreement 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 THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

{Insert name of Transmission Provider}

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

{Insert name of Affected System Interconnection Customer}

By: _____

Title: _____

Date: _____

Project No. ____

Attachment A to Appendix 7

Two-Party Affected System Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE AFFECTED SYSTEM STUDY

The Affected System Study will be based upon the following assumptions:

{Assumptions to be completed by Affected System Interconnection Customer and System Operator}

APPENDIX 8 to ETU IP

MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 20___, by and among _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of_____ (Affected System Interconnection Customer); and _____, a _____ organized and existing under the laws of the State of _____ (System Operator). Affected System Interconnection Customers and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties." When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as the "Affected System Interconnection Customers."

RECITALS

WHEREAS, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host transmission provider}, dated _____, for which {name of host transmission provider} found impacts on New England Transmission System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} with {name of host transmission provider}'s transmission system;

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 this ETU IP.

2.0 System Operator shall coordinate with Affected System Interconnection Customers to perform an Affected System Study consistent with Section 9 of this ETU IP.

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

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customers and {name of host transmission provider}. System Operator reserves the right to request additional technical information from Affected System Interconnection Customers as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.

5.0 The Affected System Study shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

- identification of any thermal overload or voltage limit violations resulting from the interconnection;

- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;

- non-binding, good faith estimated cost and time required to construct facilities required on New England Transmission System to accommodate the interconnection of the {generating facilities} to the transmission system of the host transmission provider; and

- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customers shall each provide a deposit of _____ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customers, System Operator shall charge, and Affected System Interconnection Customers shall pay, the actual cost of the Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study shall be paid by or refunded to Affected System Interconnection Customers, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

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 Affected System Study Agreement, 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 Affected System Study Agreement (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Affected System Study Agreement), 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 Affected System Study Agreement, the content of the Affected System Study Agreement, or the conclusions of the Affected System Study Agreement. 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 Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of System Operator or Interconnecting Transmission Owner or Affiliate of either. In no event shall System Operator, Interconnecting

Transmission Owner or any 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 Owners 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 Owners 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 limiting Sections 7.2 and 7.3 of this Agreement, the Parties agree that subcontractor consultants hired by them to conduct, participate in, review, or to assist in the conducting, participating in, or reviewing of, an Affected

System Study Agreement 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 Affected System Study Agreement 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 THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

{Insert name of Transmission Provider}

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

{Insert name of Affected System Interconnection Customer}

By: _____

Title: _____

Date: _____

Project No. ____

{Insert name of Affected System Interconnection Customer}

By: _____

Title: _____

Date: _____

Project No. ____

Attachment A to Appendix 8

Multiparty Affected System Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE MULTIPARTY AFFECTED SYSTEM STUDY

The Affected System Study will be based upon the following assumptions:

{Assumptions to be completed by Affected System Interconnection Customers and System Operator}

APPENDIX 9 TO ETU IP

TWO-PARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__, by and between _____, organized and existing under the laws of the State of _____ (Affected System Interconnection Customer) and_____, an entity organized under the laws of the State of _____ (Interconnecting Transmission Owner). Affected System Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host transmission provider}, dated _____, for which {name of host transmission provider} found impacts on the New England Transmission System; and

WHEREAS, Affected System Interconnection Customer desires to interconnect the {generating facility} to {name of host transmission provider}'s transmission system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of the New England Transmission System to accommodate such interconnection; and

WHEREAS, Affected System Interconnection Customer has requested, and Interconnecting Transmission Owner has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

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

ARTICLE 1
DEFINITIONS

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement shall have the meanings indicated in this ETU IP.

ARTICLE 2
TERM OF AGREEMENT

2.1 Effective Date. This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

2.2 Term.

2.2.1 General. This Agreement shall become effective as provided in Article 2.1 and shall continue in full force and effect until the earlier of (1) (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customer terminates this Agreement after providing Interconnecting Transmission Owner with written notice at least sixty (60) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customer has no outstanding contractual obligations to Transmission Provider under this Agreement. No termination of this Agreement shall be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if (1) the commercial operation date for the {generating facility} is adjusted in accordance with the rules and procedures established by {name of host transmission provider} or (2) the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by System Operator and Interconnecting Transmission Owner.

2.2.2 Termination Upon Default. Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party shall mean the Party that is in Default. In the event of a Default by a Party, the non-Defaulting Party shall have the termination rights described in Articles 5 and 6; provided,

however, Transmission Provider may not terminate this Agreement if Affected System Interconnection Customer is the Defaulting Party and compensates Interconnecting Transmission Owner within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer by Transmission Provider for any such damages, including costs and expenses, incurred by Transmission Provider as a result of such Default.

2.2.3 Consequences of Termination. In the event of a termination by either Party, other than a termination by Affected System Interconnection Customer due to a Default by Interconnecting Transmission Owner, Affected System Interconnection Customer shall be responsible for the payment to Interconnecting Transmission Owner of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by Interconnecting Transmission Owner in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which Interconnecting Transmission Owner reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of the New England Transmission System. Interconnecting Transmission Owner shall use Reasonable Efforts to minimize such costs.

2.2.4 Reservation of Rights. Interconnecting Transmission Owner shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by 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.

2.3 Filing. Interconnecting Transmission Owner shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 8. If Affected System Interconnection Customer has executed this Agreement, or any amendment thereto, Affected System Interconnection Customer shall reasonably cooperate with Interconnecting Transmission Owner with respect to such filing and to provide any information reasonably requested by Interconnecting Transmission Owner needed to comply with applicable regulatory requirements.

2.4 Survival. This Agreement shall continue in effect after termination, to the extent necessary, to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

2.5 Termination Obligations. Upon any termination pursuant to this Agreement, Affected System Interconnection Customer shall be responsible for the payment of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration.

ARTICLE 3
CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)

3.1 Construction.

3.1.1 Interconnecting Transmission Owner Obligations. Interconnecting Transmission Owner shall (or shall cause such action to) design, procure, construct, and install, and Affected System Interconnection Customer shall pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by Interconnecting Transmission Owner pursuant to this Agreement shall satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, shall satisfy all Applicable Laws and Regulations. Interconnecting Transmission Owner shall not

be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, or any Applicable Laws and Regulations.

3.1.2 Suspension of Work.

3.1.2.1 Right to Suspend. Affected System Interconnection Customer must provide to Interconnecting Transmission Owner written notice of its request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2. Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) Interconnecting Transmission Owner determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Interconnecting Transmission Owner under Article 4.1 of this Agreement shall be released by Interconnecting Transmission Owner upon the determination by Interconnecting Transmission Owner that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customer shall be responsible for the costs which Interconnecting Transmission Owner incurs (i) in accordance with this Agreement prior to the suspension; (ii) in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of Interconnecting Transmission Owner's Transmission System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Interconnecting Transmission Owner cannot reasonably avoid~~;~~, and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or orders, Interconnecting Transmission Owner shall obtain Affected System Interconnection Customer's authorization. Affected System Interconnection Customer shall be responsible for all costs incurred in connection with Affected System Interconnection Customer's failure to authorize cancellation of such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customer to Interconnecting Transmission Owner for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) shall not accrue during periods in which Affected System Interconnection Customer has suspended construction under this Article 3.1.2.

Interconnecting Transmission Owner shall invoice Affected System Interconnection Customer pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customer suspends work by Affected System Interconnecting Transmission Owner required under this Agreement pursuant to this Article 3.1.2.1, and has not requested Affected System Interconnecting Transmission Owner to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Affected System Interconnecting Transmission Owner, whichever is earlier, if no effective date of suspension is specified.

3.1.3 Construction Status. Interconnecting Transmission Owner shall keep Affected System Interconnection Customer advised periodically as to the progress of its design, procurement and construction efforts, as described in Appendix A. Affected System Interconnection Customer may, at any time and reasonably, request a progress report from Interconnecting Transmission Owner. If, at any time, Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, Affected System Interconnection Customer will provide written notice to Interconnecting Transmission Owner of such later date upon which the completion of the Affected System Network Upgrade(s) would be required. Interconnecting Transmission Owner may delay the in-service date of the Affected System Network Upgrade(s) accordingly.

3.1.4 Timely Completion. Interconnecting Transmission Owner shall use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall promptly notify Affected System Interconnection Customer. In such circumstances, Interconnecting Transmission Owner shall, within fifteen (15) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customer to evaluate the alternatives available to Affected System Interconnection Customer. Interconnecting Transmission Owner shall also make available to Affected System Interconnection Customer all studies and work papers related to the event and corresponding delay, including all

information that is in the possession of Interconnecting Transmission Owner that is reasonably needed by Affected System Interconnection Customer to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Interconnecting Transmission Owner shall, at Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customer authorizes such actions, such authorization to be withheld, conditioned, or delayed by Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the Affected System Interconnection Customer funds costs associated therewith in advance.

3.2 Interconnection Costs.

3.2.1 Costs. Affected System Interconnection Customer shall pay to Interconnecting Transmission Owner costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Unless Interconnecting Transmission Owner elects to fund the Affected System Network Upgrade(s), they shall be initially funded by Affected System Interconnection Customer.

3.2.1.1 Lands of Other Property Owners. If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customer or Interconnecting Transmission Owner, Interconnecting Transmission Owner shall, at Affected System Interconnection Customer's expense, use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights-of-way, and easements that are necessary to construct, operate, maintain, test, inspect, replace, or remove the Affected System Network Upgrade(s) upon such property.

3.3 Taxes.

3.3.1 Indemnification for Contributions in Aid of Construction. With regard only to payments made by Affected System Interconnection Customer to Interconnecting Transmission Owner for the installation of the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customer for the installation of the Affected System Network Upgrade(s) unless (1) Interconnecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customer to Interconnecting Transmission Owner should be reported as income subject to taxation, or (2) any Governmental Authority directs Interconnecting Transmission Owner to report payments or property as income subject to taxation. Affected System Interconnection Customer shall reimburse Interconnecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from Interconnecting Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by Interconnecting Transmission Owner upon request of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by Interconnecting Transmission Owner is determined by any Governmental Authority to constitute income by Interconnecting Transmission Owner subject to taxation, Affected System Interconnection Customer shall protect, indemnify, and hold harmless Interconnecting Transmission Owner and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, Interconnecting Transmission Owner shall provide Affected System Interconnection Customer with written notification within thirty (30) Calendar Days of such determination and notification. Interconnecting Transmission Owner, upon the timely written request by Affected System Interconnection Customer and at Affected System Interconnection Customer's expense, shall appeal, protest, seek abatement of, or otherwise oppose such determination. Interconnecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement

or other contest, including the compromise or settlement of the claim; provided that Interconnecting Transmission Owner shall cooperate and consult in good faith with Affected System Interconnection Customer regarding the conduct of such contest. Affected System Interconnection Customer shall not be required to pay Interconnecting Transmission Owner for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which Interconnecting Transmission Owner (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that Interconnecting Transmission Owner is not liable for any portion of any tax, interest, and/or penalties for which Affected System Interconnection Customer has already made payment to Interconnecting Transmission Owner, Interconnecting Transmission Owner shall promptly refund to Affected System Interconnection Customer any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments Interconnecting Transmission Owner receives or which Interconnecting Transmission Owner may be entitled with respect to such payment. Affected System Interconnection Customer shall provide Interconnecting Transmission Owner with credit assurances sufficient to meet Affected System Interconnection Customer's estimated liability for reimbursement of Interconnecting Transmission Owner for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability shall be stated in Appendix A.

To the extent that Interconnecting Transmission Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Interconnecting Transmission Owner represents, and the Parties acknowledge, that Interconnecting Transmission Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customer to Interconnecting Transmission Owner for Affected System Network Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by Affected System Interconnection Customer to Interconnecting Transmission Owner for Affected System Network Upgrade(s) will be reimbursed to Affected System Interconnection Customer in accordance with the terms of this Agreement, provided Affected System Interconnection Customer fulfills its obligations under this Agreement.

3.3.2 Private Letter Ruling. At Affected System Interconnection Customer's request and expense, Interconnecting Transmission Owner shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Affected System Interconnection Customer to Interconnecting Transmission Owner under this Agreement are subject to federal income taxation. Affected System Interconnection Customer will prepare the initial draft of the request for a private letter ruling and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Affected System Interconnection Customer's knowledge. Interconnecting Transmission Owner and Affected System Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

3.3.3 Other Taxes. Upon the timely request by Affected System Interconnection Customer, and at Affected System Interconnection Customer's sole expense, Interconnecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Interconnecting Transmission Owner for which Affected System Interconnection Customer may be required to reimburse Interconnecting Transmission Owner under the terms of this Agreement. Affected System Interconnection Customer shall pay to Interconnecting Transmission Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, Transmission Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Affected System Interconnection Customer and Interconnecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Affected System Interconnection Customer to Interconnecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Affected System Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Interconnecting Transmission Owner. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

ARTICLE 4
SECURITY, BILLING, AND PAYMENTS

4.1 Provision of Security. By the earlier of (1) thirty (30) Calendar Days prior to the due date for Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering of equipment by Interconnecting Transmission Owner for installing the Affected System Network Upgrade(s), Affected System Interconnection Customer shall provide Interconnecting Transmission Owner, at Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Interconnecting Transmission Owner. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and shall be reduced on a dollar-for-dollar basis for payments made to Interconnecting Transmission Owner for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Interconnecting Transmission Owner and contain terms and conditions that guarantee payment of any amount that may be due from Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.

4.2 Invoice. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this Agreement, including interest payments, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

4.3 Payment. Invoices shall be rendered to the paying Party at the address specified by the Parties. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a

bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

4.4 Final Invoice. Within six (6) months after completion of the construction of the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and shall set forth such costs in sufficient detail to enable Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Interconnecting Transmission Owner shall refund, with interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

4.5 Interest. Interest on any unpaid amounts shall be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

4.6 Payment During Dispute. In the event of a billing dispute among the Parties, Interconnecting Transmission Owner shall continue to construct the Affected System Network Upgrade(s) under this Agreement as long as Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to Interconnecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Affected System Interconnection Customer fails to meet these two requirements, then Interconnecting Transmission Owner may provide notice to Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

ARTICLE 5
BREACH, CURE AND DEFAULT

5.1 Events of Breach. A Breach of this Agreement shall include the:

(a) Failure to pay any amount when due;

(b) Failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty, or covenant made in this Agreement;

(c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or

(d) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

5.2 Definition. Breaching Party shall mean the Party that is in Breach**.**

5.3 Notice of Breach, Cure, and Default. Upon the occurrence of an event of Breach, the Party not in Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

5.3.1 Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (hereinafter referred to as the "Cure Period") which shall be sixty (60) Calendar Days.

5.3.2 In the event the Breaching Party fails to cure within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non--Defaulting Party may terminate this Agreement in accordance with Article 6.2 of this Agreement or take whatever action at law or in equity as may appear necessary or

desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

5.4 Rights in the Event of Default. Notwithstanding the foregoing, upon the occurrence of a Default, the non-Defaulting Party shall be entitled to exercise all rights and remedies it may have in equity or at law.

ARTICLE 6
TERMINATION OF AGREEMENT

6.1 Expiration of Term. Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

6.2 Termination. In addition to the termination provisions set forth in Article 2.2, a Party may terminate this Agreement upon the Default of the other Party in accordance with Article 5.2.2 of this Agreement. Subject to the limitations set forth in Article 6.3, in the event of a Default, the termination of this Agreement by the non-Defaulting Party shall require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

6.3 Disposition of Facilities Upon Termination of Agreement.

6.3.1 Interconnecting Transmission Owner Obligations. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Interconnecting Transmission Owner:

(a) shall, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);

(b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,

(c) shall perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of Interconnecting Transmission Owner's Transmission System (e.g., construction demobilization to return the system to its original state, wind-up work).

6.3.2 Affected System Interconnection Customer Obligations. Upon billing by Interconnecting Transmission Owner, Affected System Interconnection Customer shall reimburse Interconnecting Transmission Owner for any costs incurred by Interconnecting Transmission Owner in performance of the actions required or permitted by Article 6.3.1 and for the cost of any Affected System Network Upgrade(s) described in Appendix A. Interconnecting Transmission Owner shall use Reasonable Efforts to minimize costs and shall offset the amounts owed by any salvage value of facilities, if applicable. Affected System Interconnection Customer shall pay these costs pursuant to Article 4.3 of this Agreement.

6.3.3 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), Interconnecting Transmission Owner may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case Interconnecting Transmission Owner shall be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that Affected System Interconnection Customer has already paid Interconnecting Transmission Owner for any or all of such costs, Interconnecting Transmission Owner shall refund Affected System Interconnection Customer for those payments. If Interconnecting Transmission Owner elects to not retain any portion of such facilities, Interconnecting Transmission Owner shall convey and make available to Affected System Interconnection Customer such facilities as soon as practicable after Affected System Interconnection Customer's payment for such facilities.

6.4 Survival of Rights. Termination or expiration of this Agreement shall not relieve either Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof to the extent necessary to provide for (1) final billings, billing adjustments, and other billing procedures set forth in this Agreement; (2) the determination and

enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

ARTICLE 7
SUBCONTRACTORS

7.1 Subcontractors. Nothing in this Agreement shall prevent a Party from utilizing the services of subcontractors, 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.

7.1.1 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

7.1.2 No Third-Party Beneficiary. Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

7.1.3 No Limitation by Insurance. The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

ARTICLE 8
CONFIDENTIALITY

8.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied to the other Party prior to the execution of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing Party 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.

8.1.1 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 8 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with FERC policies and regulations.

8.1.2 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 non-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 8.1.6 of this Agreement, 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 receiving Party that it no longer is confidential.

8.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer, or to potential purchasers or assignees of Affected System Interconnection Customer, 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 8 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 8.

8.1.4 Rights. Each Party shall retain all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information shall not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

8.1.5 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication, or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.

8.1.6 Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires 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 disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing 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 obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

8.1.7 Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Business 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 requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

8.1.8 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 8. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief shall be granted without bond or proof of damages, and the breaching 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 8, but it 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. Neither 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 8.

8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body. Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, 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 CFR 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 FERC 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 either of the Parties may respond before such information would be made public, pursuant to 18 CFR 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

8.1.10 Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) 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; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as the Interconnecting Transmission Owner or a balancing authority, including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

ARTICLE 9
INFORMATION ACCESS AND AUDIT RIGHTS

9.1 Information Access. Each Party shall make available to the other Party information necessary to verify the costs incurred by the other Party for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties shall not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

9.2 Audit Rights. Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) shall be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following Interconnecting Transmission Owner's issuance of a final invoice in accordance with Article 4.4. Affected System Interconnection Customer at its expense shall have the right, during normal business hours, and upon prior reasonable notice to Interconnecting Transmission Owner, to audit such accounts and records. Any audit authorized by this Article 9.2 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 obligations under this Agreement.

ARTICLE 10
NOTICES

10.1 General. 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 tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To Interconnecting Transmission Owner:

To Affected System Interconnection Customer:

10.2 Billings and Payments. Billings and payments shall be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

10.3 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 below:

To Interconnecting Transmission Owner:

To Affected System Interconnection Customer:

10.4 Execution and Filing. Affected System Interconnection Customer shall either: (i) execute two originals of this tendered Agreement and return them to Interconnecting Transmission Owner; or (ii) request in writing that Interconnecting Transmission Owner file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, Interconnecting Transmission Owner shall file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customer and Interconnecting Transmission Owner disagree and support for the costs that Interconnecting Transmission Owner proposes to charge to Affected System Interconnection Customer under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Interconnecting Transmission Owner for the Affected System Interconnection Customer's generating facility. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

ARTICLE 11
MISCELLANEOUS

11.1 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.

11.2 Disclaimer of Warranty. In conducting the duties described herein, 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, 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 carrying out such responsibilities. Affected System 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.

11.3 Force Majeure, Liability and Indemnification.

11.3.1 Force Majeure. Neither Interconnecting Transmission Owner nor an Affected System 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 Interconnecting Transmission Owner or the Interconnection Customer, whichever is appropriate, of the commencement and end of each event of Force Majeure.

11.3.2 Liability. Interconnecting Transmission Owner shall not be liable for money damages or other compensation to the Affected System 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. Interconnecting Transmission Owner shall not be liable for money damages or other compensation to the Affected System 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 Affected System Interconnection Customer has claims against Interconnecting Transmission Owner, the Affected System Interconnection Customer may only look to the assets of 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 Interconnecting Transmission Owner or Affiliate of either who, the Affected System Interconnection Customer acknowledges and agrees, have no personal or other liability for obligations of Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of Interconnecting Transmission Owner or Affiliate of either. In no event shall Interconnecting Transmission Owner or any Affected System 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 Affected System Interconnection Customer's obligations under the Indemnification section below.

11.3.3 Indemnification. Affected System Interconnection Customer shall at all times indemnify, defend, and save harmless the Interconnecting Transmission Owners 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 Interconnecting Transmission Owner under this Agreement, any bankruptcy filings made by the Affected System Interconnection Customer, or the actions or omissions of the Affected System Interconnection Customer in connection with this Agreement, except 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, 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 Affected System Interconnection Customer to indemnify Interconnecting Transmission Owners shall be several, and not joint or joint and several.

11.4 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.

11.5 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.

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

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

11.8 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.

11.9 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.

11.10 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.

11.11 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.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Interconnecting Transmission Owner

{Interconnecting Transmission Owner}

By: _____

Name: _____

Title: _____

Affected System Interconnection Customer

{Affected System Interconnection Customer}

By: _____

Name: _____

Title: _____

Project No. ____

Attachment A to Appendix 9
Two-Party Affected System Facilities Construction Agreement

AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY, CONSTRUCTION SCHEDULE AND MONTHLY PAYMENT SCHEDULE

This Appendix A is a part of the Affected System Facilities Construction Agreement between Affected System Interconnection Customer and Interconnecting Transmission Owner.

1.1 Affected System Network Upgrade(s) to be installed by Interconnecting Transmission Owner.

{description}

1.2 First Equipment Order (including permitting).

{description}

1.2.1. Permitting and Land Rights – Interconnecting Transmission Owner Affected System Network Upgrade(s)

{description}

1.3 Construction Schedule. Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

Table 1: Interconnecting Transmission Owner Construction Activities

MILESTONE NUMBER	DESCRIPTION	START DATE	END DATE

Note: Construction schedule assumes that Interconnecting Transmission Owner has obtained final authorizations and security from Affected System Interconnection Customer and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

1.4 Payment Schedule.

1.4.1 Timing of and Adjustments to Affected System Interconnection Customer's Payments and Security.

{description}

1.4.2 Monthly Payment Schedule. Affected System Interconnection Customer's payment schedule is as follows.

{description}

Table 2: Affected System Interconnection Customer's Payment/Security Obligations for Affected System Network Upgrade(s).

MILESTONE NUMBER	DESCRIPTION	DATE

Note: Affected System Interconnection Customer's payment or provision of security as provided in this Agreement operates as a condition precedent to Interconnecting Transmission Owner's obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

1.5 Permits, Licenses, and Authorizations.

{description}

Attachment B to Appendix 9

Two-Party Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Appendix B is a part of the Affected Systems Facilities Construction Agreement between Affected System Interconnection Customer and Interconnecting Transmission Owner. Where applicable, when Interconnecting Transmission Owner has completed construction of the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall send notice to Affected System Interconnection Customer in substantially the form following:

{Date}

{Affected System Interconnection Customer Address}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Affected System Facilities Construction Agreement between {Interconnecting Transmission Owner} and {Affected System Interconnection Customer}, dated _____, 20___.

On {Date}, Interconnecting Transmission Owner completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's {description of generating facility}. Interconnecting Transmission Owner confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}
{Interconnecting Transmission Owner Representative}

Attachment C to Appendix 9

Two-Party Affected System Facilities Construction Agreement

EXHIBITS

This Appendix C is a part of the Affected System Facilities Construction Agreement among Affected System Interconnection Customer and Interconnecting Transmission Owner.

Exhibit A1

Interconnecting Transmission Owner Site Map

Exhibit A2

Site Plan

Exhibit A3

Affected System Network Upgrade(s) Plan & Profile

Exhibit A4

Estimated Cost of Affected System Network Upgrade(s)

	Location	**Facilities to Be Constructed by Interconnecting Transmission Owner**	**Estimate in Dollars**
		Total:	

APPENDIX 10 TO ETU IP

MULTIPARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__, by and among _____, organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); _____, a _____ organized and existing under the laws of the State of _____ (Affected System Interconnection Customer); and_____, an entity organized under the laws of the State of _____ (Interconnecting Transmission Owner). Affected System Interconnection Customers and Interconnecting Transmission Owner each may be referred to as a "Party" or collectively as the "Parties." When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as "Affected System Interconnection Customers."

RECITALS

WHEREAS, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host Interconnecting Transmission Owner}, dated _____, for which {name of host Interconnecting Transmission Owner} found impacts on Interconnecting Transmission Owner's Transmission System; and

WHEREAS, Affected System Interconnection Customers desire to interconnect the {generating facilities} to {name of host Interconnecting Transmission Owner}'s transmission system; and

WHEREAS, additions, modifications, and upgrade(s) must be made to certain existing facilities of Interconnecting Transmission Owner's Transmission System to accommodate such interconnection; and

WHEREAS, Affected System Interconnection Customers have requested, and Interconnecting Transmission Owner has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

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

ARTICLE 1
DEFINITIONS

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement shall have the meanings indicated in this ETU IP.

ARTICLE 2
TERM OF AGREEMENT

2.1 Effective Date. This Agreement shall become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

2.2 Term.

2.2.1 General. This Agreement shall become effective as provided in Article 2.1 and shall continue in full force and effect until the earlier of (1) the final repayment, where applicable, by Interconnecting Transmission Owner of the amount funded by Affected System Interconnection Customers for Interconnecting Transmission Owner's design, procurement, construction, and installation of the Affected System Network Upgrade(s) provided in Appendix A; (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customers terminate this Agreement after providing Interconnecting Transmission Owner with written notice at least sixty (60) Calendar Days prior to the proposed termination date, provided that Affected System Interconnection Customers have no outstanding contractual obligations to Interconnecting Transmission Owner under this Agreement. No termination of

this Agreement shall be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if the commercial operation date(s) for the {generating facilities} is adjusted in accordance with the rules and procedures established by {name of host Interconnecting Transmission Owner} or the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by Interconnecting Transmission Owner.

2.2.2 Termination Upon Default. Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party shall mean the Party that is in Default. In the event of a Default by a Party, each non-Defaulting Party shall have the termination rights described in Articles 5 and 6; provided, however, Interconnecting Transmission Owner may not terminate this Agreement if an Affected System Interconnection Customer is the Defaulting Party and compensates Interconnecting Transmission Owner within thirty (30) Calendar Days for the amount of damages billed to Affected System Interconnection Customer(s) by Interconnecting Transmission Owner for any such damages, including costs and expenses incurred by Interconnecting Transmission Owner as a result of such Default. Notwithstanding the foregoing, Default by one or more Affected System Interconnection Customers shall not provide the other Affected System Interconnection Customer(s), either individually or in concert, with the right to terminate the entire Agreement. The non-Defaulting Party/Parties may, individually or in concert, initiate the removal of an Affected System Interconnection Customer that is a Defaulting Party from this Agreement. Interconnecting Transmission Owner shall not terminate this Agreement or the participation of any Affected System Interconnection Customer without provision being made for Interconnecting Transmission Owner to be fully reimbursed for all of its costs incurred under this Agreement.

2.2.3 Consequences of Termination. In the event of a termination by a Party, other than a termination by Affected System Interconnection Customer(s) due to a Default by Interconnecting Transmission Owner, each Affected System Interconnection Customer whose participation in this Agreement is terminated shall be responsible for the payment to Interconnecting Transmission Owner of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by Interconnecting Transmission Owner in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event

of the termination of the entire Agreement, any actual costs which Interconnecting Transmission Owner reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of Interconnecting Transmission Owner's Transmission System. Interconnecting Transmission Owner shall use Reasonable Efforts to minimize such costs. The cost responsibility of other Affected System Interconnection Customers shall be adjusted, as necessary, based on the payments by an Affected System Interconnection Customer that is terminated from the Agreement.

2.2.4 Reservation of Rights. Interconnecting Transmission Owner shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customers shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by 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.

2.3 Filing. Interconnecting Transmission Owner shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customers may request that any information so provided be subject to the confidentiality provisions of Article 8. Each Affected System Interconnection Customer that has executed this Agreement, or any amendment thereto, shall reasonably cooperate with Interconnecting Transmission Owner with respect to such filing and to provide any information reasonably requested by Interconnecting Transmission Owner needed to comply with applicable regulatory requirements.

2.4 Survival. This Agreement shall continue in effect after termination, to the extent necessary, to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit

each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

2.5 Termination Obligations. Upon any termination pursuant to this Agreement or termination of the participation in this Agreement of an Affected System Interconnection Customer, each Affected System Interconnection Customer shall be responsible for the payment of its proportionate share of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration. The cost responsibility of the other Affected System Interconnection Customers shall be adjusted as necessary.

ARTICLE 3
CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)

3.1 Construction.

3.1.1 Interconnecting Transmission Owner Obligations. Interconnecting Transmission Owner shall (or shall cause such action to) design, procure, construct, and install, and Affected System Interconnection Customers shall pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by Interconnecting Transmission Owner pursuant to this Agreement shall satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, shall satisfy all Applicable Laws and Regulations. Interconnecting Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, or any Applicable Laws and Regulations.

3.1.2 Suspension of Work.

3.1.2.1 Right to Suspend. Affected System Interconnection Customers must jointly provide to Interconnecting Transmission Owner written notice of their request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2.

Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) Interconnecting Transmission Owner determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to Interconnecting Transmission Owner under Article 4.1 of this Agreement shall be released by Interconnecting Transmission Owner upon the determination by Interconnecting Transmission Owner that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customers shall be responsible for the costs which Interconnecting Transmission Owner incurs (i) in accordance with this Agreement prior to the suspension; (ii) in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of Interconnecting Transmission Owner's Transmission System and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which Interconnecting Transmission Owner cannot reasonably avoid; and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or orders, Interconnecting Transmission Owner shall obtain Affected System Interconnection Customers' authorization. Affected System Interconnection Customers shall be responsible for all costs incurred in connection with Affected System Interconnection Customers' failure to authorize cancellation of such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customers to Interconnecting Transmission Owner for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) shall not accrue during periods in which Affected System Interconnection Customers have suspended construction under this Article 3.1.2.

Interconnecting Transmission Owner shall invoice Affected System Interconnection Customers pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customers suspend work by Affected System Interconnecting Transmission Owner required under this Agreement pursuant to this Article 3.1.2.1, and have not requested Affected System Interconnecting Transmission Owner to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or

the date of the written notice to Affected System Interconnecting Transmission Owner, whichever is earlier, if no effective date of suspension is specified.

3.1.3 Construction Status. Interconnecting Transmission Owner shall keep Affected System Interconnection Customers advised periodically as to the progress of its design, procurement, and construction efforts, as described in Appendix A. An Affected System Interconnection Customer may, at any time and reasonably, request a progress report from Interconnecting Transmission Owner. If, at any time, an Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, such Affected System Interconnection Customer will provide written notice to all other Parties of such later date for which the completion of the Affected System Network Upgrade(s) would be required. Interconnecting Transmission Owner may delay the in-service date of the Affected System Network Upgrade(s) accordingly, but only if agreed to by all other Affected System Interconnection Customers.

3.1.4 Timely Completion. Interconnecting Transmission Owner shall use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall promptly notify all other Parties. In such circumstances, Interconnecting Transmission Owner shall, within fifteen (15) Calendar Days of such notice, convene a meeting with Affected System Interconnection Customers to evaluate the alternatives available to Affected System Interconnection Customers. Interconnecting Transmission Owner shall also make available to Affected System Interconnection Customers all studies and work papers related to the event and corresponding delay, including all information that is in the possession of Interconnecting Transmission Owner that is reasonably needed by Affected System Interconnection Customers to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. Interconnecting Transmission Owner shall, at any Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customers jointly authorize such actions, such authorizations to be withheld, conditioned, or delayed by a given Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the requesting Affected System Interconnection Customer(s) funds the costs

associated therewith in advance, or all Affected System Interconnection Customers agree in advance to fund such costs based on such other allocation method as they may adopt.

3.2 Interconnection Costs.

3.2.1 Costs. Affected System Interconnection Customers shall pay to Interconnecting Transmission Owner costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Except as expressly otherwise agreed, Affected System Interconnection Customers shall be collectively responsible for these costs, based on their proportionate share of cost responsibility, as provided in Appendix A. Unless Interconnecting Transmission Owner elects to fund the Affected System Network Upgrade(s), they shall be initially funded by the applicable Affected System Interconnection Customer.

3.2.1.1 Lands of Other Property Owners. If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customers or Interconnecting Transmission Owner, Interconnecting Transmission Owner shall, at Affected System Interconnection Customers' expense, use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights-of-way, and easements that are necessary to construct, operate, maintain, test, inspect, replace, or remove the Affected System Network Upgrade(s) upon such property.

3.3 Taxes.

3.3.1 Indemnification for Contributions in Aid of Construction. With regard only to payments made by Affected System Interconnection Customers to Interconnecting Transmission Owner for the installation of the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customers for the installation of the Affected System Network Upgrade(s) unless (1) Interconnecting Transmission

Owner has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customers to Interconnecting Transmission Owner should be reported as income subject to taxation, or (2) any Governmental Authority directs Interconnecting Transmission Owner to report payments or property as income subject to taxation. Affected System Interconnection Customers shall reimburse Interconnecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) Calendar Days of receiving written notification from Interconnecting Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by Interconnecting Transmission Owner upon request of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by Interconnecting Transmission Owner is determined by any Governmental Authority to constitute income by Interconnecting Transmission Owner subject to taxation, Affected System Interconnection Customers shall protect, indemnify, and hold harmless Interconnecting Transmission Owner and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, Interconnecting Transmission Owner shall provide Affected System Interconnection Customers with written notification within thirty (30) Calendar Days of such determination and notification. Interconnecting Transmission Owner, upon the timely written request by any one or more Affected System Interconnection Customer(s) and at the expense of such Affected System Interconnection Customer(s), shall appeal, protest, seek abatement of, or otherwise oppose such determination. Interconnecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that Interconnecting Transmission Owner shall cooperate and consult in good faith with the requesting Affected System Interconnection Customer(s) regarding the conduct of such contest. Affected System Interconnection Customer(s) shall not be required to pay Interconnecting Transmission Owner for the tax, interest, and/or penalties prior to the seventh (7th) Calendar Day before the date on which Interconnecting Transmission Owner (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest,

abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that Interconnecting Transmission Owner is not liable for any portion of any tax, interest, and/or penalties for which any Affected System Interconnection Customer(s) has already made payment to Interconnecting Transmission Owner, Interconnecting Transmission Owner shall promptly refund to such Affected System Interconnection Customer(s) any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments Interconnecting Transmission Owner receives or to which Interconnecting Transmission Owner may be entitled with respect to such payment. Each Affected System Interconnection Customer shall provide Interconnecting Transmission Owner with credit assurances sufficient to meet each Affected System Interconnection Customer's estimated liability for reimbursement of Interconnecting Transmission Owner for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability shall be stated in Appendix A.

To the extent that Interconnecting Transmission Owner is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following shall apply: Interconnecting Transmission Owner represents, and the Parties acknowledge, that Interconnecting Transmission Owner is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customers to Interconnecting Transmission Owner for Affected System Network Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by each Affected System Interconnection Customer to Interconnecting Transmission Owner for Affected System Network Upgrade(s) will be reimbursed to such Affected System Interconnection Customer in accordance with the terms of this Agreement, provided such Affected System Interconnection Customer fulfills its obligations under this Agreement.

3.3.2 Private Letter Ruling. At the request and expense of any Affected System Interconnection Customer(s), Interconnecting Transmission Owner shall file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by such Affected System Interconnection Customer(s) to Interconnecting Transmission Owner under this Agreement are subject to federal income taxation. Each Affected System Interconnection Customer desiring such a request will prepare the initial draft of the request for a private letter ruling and will certify

under penalties of perjury that all facts represented in such request are true and accurate to the best of such Affected System Interconnection Customer's knowledge. Interconnecting Transmission Owner and such Affected System Interconnection Customer(s) shall cooperate in good faith with respect to the submission of such request.

3.3.3 Other Taxes. Upon the timely request by any one or more Affected System Interconnection Customer(s), and at such Affected System Interconnection Customer(s)' sole expense, Interconnecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Interconnecting Transmission Owner for which such Affected System Interconnection Customer(s) may be required to reimburse Interconnecting Transmission Owner under the terms of this Agreement. Affected System Interconnection Customer(s) who requested the action shall pay to Interconnecting Transmission Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, Interconnecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. The requesting Affected System Interconnection Customer(s) and Interconnecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Affected System Interconnection Customer(s) to Interconnecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Affected System Interconnection Customer(s) will be responsible for all taxes, interest, and penalties, other than penalties attributable to any delay caused by Interconnecting Transmission Owner. Each Party shall cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

ARTICLE 4
SECURITY, BILLING, AND PAYMENTS

4.1 Provision of Security. By the earlier of (1) thirty (30) Calendar Days prior to the due date for each Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering of equipment by

Interconnecting Transmission Owner for installing the Affected System Network Upgrade(s), each Affected System Interconnection Customer shall provide Interconnecting Transmission Owner, at each Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit, or other form of security that is reasonably acceptable to Interconnecting Transmission Owner. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and shall be reduced on a dollar-for-dollar basis for payments made to Interconnecting Transmission Owner for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of Interconnecting Transmission Owner and contain terms and conditions that guarantee payment of any amount that may be due from such Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.

4.2 Invoice. Each Party shall submit to the other Parties, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to another Party under this Agreement, including interest payments, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

4.3 Payment. Invoices shall be rendered to the paying Party at the address specified by the Parties. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

4.4 Final Invoice. Within six (6) months after completion of the construction of the Affected System Network Upgrade(s) Interconnecting Transmission Owner shall provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and shall set forth such costs in sufficient detail

to enable each Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Interconnecting Transmission Owner shall refund, with interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to each Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

4.5 Interest. Interest on any unpaid amounts shall be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

4.6 Payment During Dispute. In the event of a billing dispute among the Parties, Interconnecting Transmission Owner shall continue to construct the Affected System Network Upgrade(s) under this Agreement as long as each Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to Interconnecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If any Affected System Interconnection Customer fails to meet these two requirements, then Interconnecting Transmission Owner may provide notice to such Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to another Party shall pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

ARTICLE 5
BREACH, CURE, AND DEFAULT

5.1 Events of Breach. A Breach of this Agreement shall include the:

(a) Failure to pay any amount when due;

(b) Failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty, or covenant made in this Agreement;

(c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or

(d) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

5.2 Definition. Breaching Party shall mean the Party that is in Breach.

5.3 Notice of Breach, Cure, and Default. Upon the occurrence of an event of Breach, any Party aggrieved by the Breach, when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

5.3.1 Upon receiving written notice of the Breach hereunder, the Breaching Party shall have a period to cure such Breach (hereinafter referred to as the "Cure Period") which shall be sixty (60) Calendar Days. If an Affected System Interconnection Customer is the Breaching Party and the Breach results from a failure to provide payments or security under Article 4.1 of this Agreement, the other Affected System Interconnection Customers, either individually or in concert, may cure the Breach by paying the amounts owed or by providing adequate security, without waiver of contribution rights against the breaching Affected System Interconnection Customer. Such cure for the Breach of an Affected System Interconnection Customer is subject to the reasonable consent of Interconnecting Transmission Owner. Interconnecting Transmission Owner may also cure such Breach by funding the proportionate share of the Affected System Network Upgrade costs related to the Breach of Affected System Interconnection Customer. Interconnecting Transmission Owner must notify all Parties that it will exercise this option within thirty (30) Calendar Days of notification that an Affected System Interconnection Customer has failed to provide payments or security under Article 4.1.

5.3.2 In the event the Breach is not cured within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non-Defaulting Parties may (1) act in concert to amend the Agreement to remove an Affected System Interconnection Customer that is in Default from this Agreement for cause

and to make other changes as necessary, or (2) either in concert or individually take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

5.4 Rights in the Event of Default. Notwithstanding the foregoing, upon the occurrence of Default, the non-Defaulting Parties shall be entitled to exercise all rights and remedies it may have in equity or at law.

ARTICLE 6
TERMINATION OF AGREEMENT

6.1 Expiration of Term. Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement shall terminate at the conclusion of the term of this Agreement.

6.2 Termination and Removal. Subject to the limitations set forth in Article 6.3, in the event of a Default, termination of this Agreement, as to a given Affected System Interconnection Customer or in its entirety, shall require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

6.3 Disposition of Facilities Upon Termination of Agreement.

6.3.1 Interconnecting Transmission Owner Obligations. Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, Interconnecting Transmission Owner:

(a) shall, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);

(b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,

(c) shall perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of Interconnecting Transmission Owner's Transmission System (e.g., construction demobilization to return the system to its original state, wind-up work).

6.3.2 Affected System Interconnection Customer Obligations. Upon billing by Interconnecting Transmission Owner, each Affected System Interconnection Customer shall reimburse Interconnecting Transmission Owner for its share of any costs incurred by Interconnecting Transmission Owner in performance of the actions required or permitted by Article 6.3.1 and for its share of the cost of any Affected System Network Upgrade(s) described in Appendix A. Interconnecting Transmission Owner shall use Reasonable Efforts to minimize costs and shall offset the amounts owed by any salvage value of facilities, if applicable. Each Affected System Interconnection Customer shall pay these costs pursuant to Article 4.3 of this Agreement.

6.3.3 Pre-construction or Installation. Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), Interconnecting Transmission Owner may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case Interconnecting Transmission Owner shall be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that an Affected System Interconnection Customer has already paid Interconnecting Transmission Owner for any or all of such costs, Interconnecting Transmission Owner shall refund Affected System Interconnection Customer for those payments. If Interconnecting Transmission Owner elects to not retain any portion of such facilities, and one or more of Affected System Interconnection Customers wish to purchase such facilities, Interconnecting Transmission Owner shall convey and make available to the applicable Affected System Interconnection Customer(s) such facilities as soon as practicable after Affected System Interconnection Customer(s)' payment for such facilities.

6.4 Survival of Rights. Termination or expiration of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof, to the extent necessary to provide for (1) final billings, billing

adjustments, and other billing procedures set forth in this Agreement; (2) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

ARTICLE 7
SUBCONTRACTORS

7.1 Subcontractors. Nothing in this Agreement shall prevent a Party from utilizing the services of subcontractors, as it deems appropriate, to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services, and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

7.1.1 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

7.1.2 No Third-Party Beneficiary. Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

7.1.3 No Limitation by Insurance. The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

ARTICLE 8
CONFIDENTIALITY

8.1 Confidentiality. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied to the other Parties prior to the execution of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties shall maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing Party 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.

8.1.1 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 8 or with regard to CEII, each Party shall hold in confidence and shall not disclose to any person Confidential Information. CEII shall be treated in accordance with FERC policies and regulations.

8.1.2 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 non-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 8.1.6 of this Agreement, 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 receiving Party that it no longer is confidential.

8.1.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer(s), or to potential purchasers or assignees of Affected System Interconnection Customer(s), 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 8 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 8.

8.1.4 Rights. Each Party shall retain all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information shall not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

8.1.5 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication, or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.

8.1.6 Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing 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 obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

8.1.7 Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) Business 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 requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 shall survive such termination.

8.1.8 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 8. Each Party accordingly agrees that the disclosing Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief shall be granted without bond or proof of damages, and the Breaching 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 8, but it 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 8.

8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body. Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, 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 CFR 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of

the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

8.1.10 Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) 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; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as Interconnecting Transmission Owner or a balancing authority, including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

ARTICLE 9
INFORMATION ACCESS AND AUDIT RIGHTS

9.1 Information Access. Each Party shall make available to the other Parties information necessary to verify the costs incurred by the other Parties for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties shall not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

9.2 Audit Rights. Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) shall be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following Interconnecting Transmission Owner's issuance of a final invoice in accordance with Article 4.4. Affected System Interconnection Customers may, jointly or individually, at the expense of the requesting Party(ies), during normal business hours, and upon prior reasonable notice to Interconnecting Transmission Owner, audit such accounts and records. Any audit authorized by this Article 9.2 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 obligations under this Agreement.

ARTICLE 10
NOTICES

10.1 General. Any notice, demand, or request required or permitted to be given by a Party to the other Parties, and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To Interconnecting Transmission Owner:

To Affected System Interconnection Customers:

10.2 Billings and Payments. Billings and payments shall be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

10.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone, facsimile, or email to the telephone numbers and email addresses set out below:

To Interconnecting Transmission Owner:

To Affected System Interconnection Customers:

10.4 Execution and Filing. Affected System Interconnection Customers shall either: (i) execute two originals of this tendered Agreement and return them to Interconnecting Transmission Owner; or (ii) request in writing that Interconnecting Transmission Owner file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, Interconnecting Transmission Owner shall file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customers and Interconnecting Transmission Owner disagree and support for the costs that Interconnecting Transmission Owner proposes to charge to Affected System Interconnection Customers under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by Interconnecting Transmission Owner for the Affected System Interconnection Customers' generating facilities. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

ARTICLE 11
MISCELLANEOUS

11.1 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.

11.2 Disclaimer of Warranty. In conducting the duties described herein, 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, 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 carrying out such responsibilities. Affected System 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.

11.3 Force Majeure, Liability and Indemnification.

11.3.1 Force Majeure. Neither Interconnecting Transmission Owner nor an Affected System 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 Interconnecting Transmission Owner or the Interconnection Customer, whichever is appropriate, of the commencement and end of each event of Force Majeure.

11.3.2 Liability. Interconnecting Transmission Owner shall not be liable for money damages or other compensation to the Affected System 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. Interconnecting Transmission Owner shall not be liable for money damages or other compensation to the Affected System 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 Affected System Interconnection Customer has claims against Interconnecting Transmission Owner, the Affected System Interconnection Customer may only look to the assets of 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 Interconnecting Transmission Owner or Affiliate of either who, the Affected System Interconnection Customer acknowledges and agrees, have no personal or other liability for obligations of Interconnecting Transmission Owner by reason of their status as directors, members, shareholders, officers, employees or agents of Interconnecting Transmission Owner or Affiliate of either. In no event shall Interconnecting Transmission Owner or any Affected System 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 Affected System Interconnection Customer's obligations under the Indemnification section below.

11.3.3 Indemnification. Affected System Interconnection Customer shall at all times indemnify, defend, and save harmless the Interconnecting Transmission Owners 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 Interconnecting Transmission Owner under this Agreement, any bankruptcy filings made by the Affected System Interconnection Customer, or the actions or omissions of the Affected System Interconnection Customer in connection with this Agreement, except 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, 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 Affected System Interconnection Customer to indemnify Interconnecting Transmission Owners shall be several, and not joint or joint and several.

11.4 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.

11.5 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.

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

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

11.8 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.

11.9 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.

11.10 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.

11.11 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.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original Agreement among the Parties.

Interconnecting Transmission Owner

{Interconnecting Transmission Owner}

By: _____

Name: _____

Title: _____

Affected System Interconnection Customer

{Affected System Interconnection Customer}

By: _____

Name: _____

Title: _____

Project No. ____

Affected System Interconnection Customer

{Affected System Interconnection Customer}

By: _____

Name: _____

Title: _____

Project No. ____

AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY, CONSTRUCTION SCHEDULE, AND MONTHLY PAYMENT SCHEDULE

This Appendix A is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Interconnecting Transmission Owner.

1.1 Affected System Network Upgrade(s) to be installed by Interconnecting Transmission Owner.

{description}

1.2 First Equipment Order (including permitting).

{description}

1.2.1. Permitting and Land Rights – Interconnecting Transmission Owner Affected System Network Upgrade(s)

{description}

1.3 Construction Schedule. Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

Table 3: Interconnecting Transmission Owner Construction Activities

MILESTONE NUMBER	DESCRIPTION	START DATE	END DATE

Note: Construction schedule assumes that Interconnecting Transmission Owner has obtained final authorizations and security from Affected System Interconnection Customers and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

1.4 Payment Schedule.

1.4.1 Timing of and Adjustments to Affected System Interconnection Customers' Payments and Security.

{description}

1.4.2 Monthly Payment Schedule. Affected System Interconnection Customers' payment schedule is as follows.

{description}

Table 4: Affected System Interconnection Customers' Payment/Security Obligations for Affected System Network Upgrade(s).

MILESTONE NUMBER	DESCRIPTION	DATE

* Affected System Interconnection Customers' proportionate responsibility for each payment is as follows:

Affected System Interconnection Customer 1 ___._%
Affected System Interconnection Customer 2 ___._%
Affected System Interconnection Customer N ___._%

Note: Affected System Interconnection Customers' payment or provision of security as provided in this Agreement operates as a condition precedent to Interconnecting Transmission Owner's obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

1.5 Permits, Licenses, and Authorizations.

{description}

Attachment B to Appendix 10

Multiparty Affected System Facilities Construction Agreement

NOTIFICATION OF COMPLETED CONSTRUCTION

This Appendix B is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Interconnecting Transmission Owner. Where applicable, when Interconnecting Transmission Owner has completed construction of the Affected System Network Upgrade(s), Interconnecting Transmission Owner shall send notice to Affected System Interconnection Customers in substantially the form following:

{Date}

{Affected System Interconnection Customers Addresses}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Multiparty Affected System Facilities Construction Agreement among {Interconnecting Transmission Owner} and {Affected System Interconnection Customers}, dated _____, 20___.

On {Date}, Interconnecting Transmission Owner completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's generating facilities. Interconnecting Transmission Owner confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}
{Interconnecting Transmission Owner Representative}

Attachment C to Appendix 10

Multiparty Affected System Facilities Construction Agreement

EXHIBITS

This Appendix C is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and Interconnecting Transmission Owner.

Exhibit A1

Interconnecting Transmission Owner Site Map

Exhibit A2

Site Plan

Exhibit A3

Affected System Network Upgrade(s) Plan & Profile

Exhibit A4

Estimated Cost of Affected System Network Upgrade(s)

	Location	**Facilities to Be Constructed by Interconnecting Transmission Owner**	**Estimate in Dollars**
		Total:	

APPENDIX 11

ELECTIVE TRANSMISSION UPGRADE

INTERCONNECTION AGREEMENT

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THIS ELECTIVE TRANSMISSION UPGRADE INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of _____ 20__, by and between _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with an Elective Transmission Upgrade Facility), ISO New England Inc., a non-stock corporation organized and existing under the laws of the State of Delaware ("System Operator"), and _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnecting Transmission Owner"). Under this Agreement the Interconnection Customer, System Operator, and Interconnecting Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, System Operator is the central dispatching agency provided for under the Transmission Operating Agreement ("TOA") which has responsibility for the operation of the New England Control Area from the System Operator control center and the administration of the Tariff; and

WHEREAS, Interconnecting Transmission Owner is the owner or possessor of an interest in the Administered Transmission System; and

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Elective Transmission Upgrade identified in Appendix C to this Agreement; and

WHEREAS, System Operator, Interconnection Customer and Interconnecting Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Elective Transmission Upgrade to the Administered Transmission System.

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

When used in this Elective Transmission Upgrade Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used.

ARTICLE 1. DEFINITIONS

The definitions contained in this Article 1 and those definitions embedded in an Article of this Agreement are intended to apply in the context of the Elective Transmission Upgrade interconnection process provided for in Schedule 25 (and its appendices). To the extent that the definitions herein are different than those contained in Section I.2.2 of the Tariff, the definitions provided below shall control only for purposes of Elective Transmission Upgrade interconnections under Schedule 25. Capitalized terms in Schedule 25 that are not defined in this Article 1 shall have the meanings specified in Section I.2.2 of the Tariff.

Administered Transmission System shall mean the PTF and the Non-PTF.

Adverse System Impact shall mean any significant negative effects on the stability, reliability or operating characteristics of the electric system.

Affected Party shall mean the entity that owns, operates or controls an Affected System, or any other entity operating outside of the New England Control Area that otherwise may be a necessary party to the interconnection process.

Affected System shall mean any electric system that is outside the New England Control Area that may be affected by the proposed interconnection.

Affected System Facilities Construction Agreement shall mean the agreement contained in Appendix 9 to this ETU IP that is made between Interconnecting Transmission Owner and Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on the New England Transmission System.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a generating facility to a transmission system outside of the New England Control Area that may cause the need for Affected System Network Upgrades on the New England Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to New England Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than New England Transmission System.

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

Affected System Queue Position shall mean the queue position of an Affected System Interconnection Customer in System Operator's interconnection queue relative to System Operator's Interconnection Customers' Queue Positions.

Affected System Study shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system outside the New England Control Area that have an impact on the New Englands Transmission System, as described in Section 9 of this ETU IP.

Affected System Study Agreement shall mean the agreement contained in Appendix 7 to this ETU IP that is made between System Operator and Affected System Interconnection Customer to conduct an External Affected System Study pursuant to Section 9 of this ETU IP.

Affected System Study Report shall mean the report issued following completion of an Affected System Study pursuant to Section 9.6 of this ETU IP.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

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.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the NPCC and the New England Control Area, including publicly available local reliability requirements of Interconnecting Transmission Owners or other Affected Parties or Internal Affected Party.

Base Case shall have the meaning specified in Section 2.3.

Base Case Data shall mean the Base Case power flow, short circuit, and stability databases used for the Interconnection Studies by the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Elective Transmission Upgrade Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Elective Transmission Upgrade Interconnection Agreement.

Calendar Day shall mean any day including Saturday, Sunday or a Federal Holiday.

Capacity Capability Interconnection Standard ("CC Interconnection Standard") shall mean the criteria required to permit the Interconnection Customer to interconnect a Generating Facility seeking Capacity Network Resource Interconnection Service or an Elective Transmission Upgrade seeking Capacity Network Import Interconnection Service in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the Generating Facility seeking Capacity Network Resource Interconnection Service or an Elective Transmission Upgrade seeking Capacity Network Import Interconnection Service, and in a manner that ensures intra-zonal deliverability by avoidance of the redispatch of other Capacity Network Resource or Elective Transmission Upgrades with Capacity Network Import Interconnection Service, as detailed in the ISO New England Planning Procedures.

Capacity Network Import Capability ("CNI Capability") shall mean the MW quantity associated with CNI Interconnection Service, calculated as described in Section II.48 of the Tariff.

Capacity Network Import Interconnection Service ("CNI Interconnection Service") shall mean, for an External Elective Transmission Upgrade that is a controllable Merchant Transmission Facility or Other Transmission Facility, the Interconnection Service selected by the Interconnection Customer to interconnect its Elective Transmission Upgrade with the Administered Transmission System in accordance with the Capacity Capability Interconnection Standard. An Interconnection Customer's Capacity Network Import Interconnection Service shall be for the megawatt of Capacity Network Import Capability. Capacity Network Import Interconnection Service does not in and of itself convey transmission service.

Capacity Network Resource Group Study ("CNR Group Study") shall mean the study performed by the System Operator under Section III.13.1.1.2.3 of the Tariff to determine which resources qualify to participate in a Forward Capacity Auction.

Cluster shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting a Cluster Study, Cluster Interconnection System Impact Study, and Cluster Interconnection Facilities Study.

Cluster Enabling Transmission Upgrade ("CETU") shall mean new significant transmission line infrastructure that consists of AC transmission lines and related terminal equipment having a nominal voltage rating at or above 115 kV or HVDC transmission lines and HVDC terminal equipment that is identified through the Clustering Enabling Transmission Upgrade Regional Planning Study conducted in accordance with Attachment K, Section 2 of the Tariff. The CETU shall be considered part of an ETU Interconnection Related Upgrade and be categorized as Interconnection Facilities or Network Upgrades.

Cluster Enabling Transmission Upgrade Regional Planning Study ("CRPS") shall mean a study conducted by the System Operator under Attachment K, Section II of the Tariff to identify the Cluster Enabling Transmission Upgrade and associated system upgrades to enable the interconnection of Interconnection Requests for which the conditions identified in Section 4.2.1 have been triggered.

Cluster Interconnection Facilities Study ("CFAC") shall mean an Interconnection Facilities Study performed using Clustering pursuant to Section 4.2.4.

Cluster Interconnection System Impact Study ("CSIS") shall mean an Interconnection System Impact Study performed using Clustering pursuant to Section 4.2.3.

CETU Participation Deposit shall a Commercial Readiness Deposit as described in Section 4.2.

Cluster Request Window shall mean the time period set forth in Section 3.3.1 of this ETU IP.

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of this ETU IP.

Cluster Restudy Report Meeting shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Section 7.5 of this ETU IP.

Cluster Restudy Report shall mean the report issued following completion of a Cluster Restudy pursuant to Section 7.5 of this ETU IP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Section 7 of this ETU IP.

Cluster Study Agreement shall mean the agreement contained in Appendix 2 to this ETU IP for conducting the Cluster Study.

Cluster Study Process shall mean the following processes, conducted in sequence: the Cluster Request Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies; and the Interconnection Facilities Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Section 7 of this ETU IP.

Cluster Study Report Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Section 7 of this ETU IP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together instead of serially, as described in Sections 4.2.3, 4.2.4, and 7 of this ETU IP.

Commercial Operation shall mean the status of an Elective Transmission Upgrade that has commenced transmitting electricity, excluding performance during Trial Operation.

Commercial Operation Date shall mean the date on which the Elective Transmission Upgrade commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Elective Transmission Upgrade Interconnection Agreement.

Commercial Readiness Deposit shall mean a deposit paid as set forth in Sections 3.3.2, 4.4.2, 7.5, and 8.1 of this ETU IP.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise. Confidential Information shall include, but not be limited to, information that is confidential pursuant to the ISO New England Information Policy.

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades associated with an Interconnection Request with a higher Queue Position or a transmission project that is planned or proposed for the New England Transmission System upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.

Customer Engagement Window shall mean the time period set forth in Section 3.3.5 of this ETU IP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Elective Transmission Upgrade Interconnection Agreement.

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Interconnecting Transmission Owner's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Interconnecting Transmission Owner's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Elective Transmission Upgrade. Distribution Upgrades do not include Interconnection Facilities.

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

Elective Transmission Upgrade ("ETU") shall mean a new Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnecting to the Administered Transmission System, or an upgrade to an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is part of or interconnected to the Administered Transmission System for which the Interconnection Customer has agreed to pay all of the costs of said Elective Transmission Upgrade and of any additions or modifications to the Administered Transmission System that are required to accommodate the Elective Transmission Upgrade. An Elective Transmission Upgrade shall not include a SATOA as defined in Section I of the Tariff. An Elective Transmission Upgrade is not a Generator Interconnection Related Upgrade, a Regional Transmission Upgrade, or a Market Efficiency Transmission Upgrade.

Elective Transmission Upgrade Interconnection Agreement ("ETU IA") shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to an Elective Transmission Upgrade, that is included in this Schedule 25 to Section II of the Tariff.

Elective Transmission Upgrade Interconnection Procedures ("ETU IP") shall mean the interconnection procedures applicable to an Interconnection Request pertaining to an Elective Transmission Upgrade that are included in this Schedule 25 to Section II of the Tariff.

Electric Reliability Organization shall mean the North American Electric Reliability Corporation (NERC) or its successor organization.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is likely to endanger life or property; or (2) that, in the case of the Interconnecting Transmission Owner, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the New England Transmission System, Interconnecting Transmission Owner's Interconnection Facilities or any Affected System to which the New England Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Elective Transmission Upgrade or Interconnection Customer's Interconnection Facilities.

Engineering & Procurement ("E&P") Agreement shall mean an agreement that authorizes the Interconnection Customer, Interconnecting Transmission Owner and any other Affected Party or Internal Affected Party to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

ETU IA Deposit shall mean the deposit Interconnection Customer submits when returning the executed ETU IA, or within ten (10) Business Days of requesting that the ETUIA be filed unexecuted at the Commission, in accordance with Section 11.3 of this ETUIP.

External Elective Transmission Upgrade ("External ETU") shall mean an Elective Transmission Upgrade that interconnects the New England Control Area with another Control Area.

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

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

Generating Facility is defined in Section I of Schedule 22 and Attachment 1 to Schedule 23 of Section II to the Tariff.

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 the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affiliate thereof.

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

In-Service Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Interconnecting Transmission Owner's Interconnection Facilities.

Interconnecting Transmission Owner shall mean Transmission Owner that owns, leases or otherwise possesses an interest in the portion of the Administered Transmission System at the Point of Interconnection and shall be a Party to the Elective Transmission Upgrade Interconnection Agreement.

The term Interconnecting Transmission Owner shall not be read to include the System Operator, and may refer to one or more Transmission Owners in the case of an Internal Elective Transmission Upgrade.

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

Interconnection Customer shall mean any entity, including a transmission owner or its Affiliates or subsidiaries, that interconnects or proposes to interconnect its Elective Transmission Upgrade with the Administered Transmission System under the Elective Transmission Upgrade Interconnection Procedures.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Elective Transmission Upgrade Interconnection Agreement, that are separate and distinct from the Elective Transmission Upgrade and are located between the Elective Transmission Upgrade and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Elective Transmission Upgrade to the Administered Transmission System. Interconnection Customer's may be sole use facilities or subject to shared use pursuant to arrangements filed with and approved by the Commission facilities.

Interconnection Facilities shall mean the Interconnecting Transmission Owner's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Elective Transmission Upgrade and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Elective Transmission Upgrade to the Administered Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the System Operator, Interconnecting Transmission Owner, or a third party consultant for the Interconnection Customer to determine a list of facilities (including Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Cluster Study, Cluster Restudy or Cluster Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Elective Transmission Upgrade with the Administered Transmission System. The scope of the study is defined in Section 8 of the Elective Transmission Upgrade Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 3 of the Elective Transmission Upgrade Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Report shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Section 8 of the ETU IP.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Elective Transmission Upgrade Interconnection Procedures, in accordance with the Tariff, to: (i) interconnect a new Elective Transmission Upgrade to the Administered Transmission System; (ii) make a Material Modification to an Elective Transmission upgrade with an outstanding Interconnection Request; (iii) increase the capability of an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected to the Administered Transmission System; (iv) make a Material Modification to the design or operating characteristics of an existing Pool Transmission Facility, Merchant Transmission Facility or Other Transmission Facility that is interconnected with the Administered Transmission System ; or (v) change from NI Interconnection Service to CNI Interconnection Service for an Elective Transmission Upgrade that is eligible to request such services. Interconnection Request shall not include a request to interconnect to a transmission facility that is not part of the Administered Transmission System.

Interconnection Service shall mean the right to interconnect the Interconnection Customer's Elective Transmission Upgrade to the Administered Transmission System at the Point of Interconnection pursuant to the terms of the Elective Transmission Upgrade Interconnection Agreement and, if applicable, the

Tariff. For an External Elective Transmission Upgrade that is a controllable Merchant Transmission Facility or Other Transmission Facility, Interconnection Service shall include Capacity Network Import Interconnection Service or Network Import Interconnection Service.

Interconnection Study shall mean any of the following studies: Cluster Interconnection System Impact Study, Cluster Interconnection Facilities Study, the Cluster Study, the Cluster Restudy, the Surplus Interconnection Service System Impact Study, the Interconnection Facilities Study the Affected System Study, Optional Interconnection Study, and Material Modification assessment, and the Optional Interconnection Study described in the ETU IP

Interconnection Study Agreement shall mean any of the following agreements: Affected System Study Agreement, Cluster Study Agreement, the Interconnection Facilities Study Agreement, and the Optional Interconnection Study Agreement attached to the ETU IP

Internal Affected Party shall mean the entity that owns, operates or controls an Internal Affected System, or any other entity operating within the New England Control Area that otherwise may be a necessary party to the interconnection process.

Internal Affected System shall mean any electric system that is within the New England Control Area, including, but not limited to, generator owned facilities that may be affected by the proposed interconnection.

Internal Elective Transmission Upgrade ("Internal ETU") shall mean an Elective Transmission Upgrade that interconnects solely within the New England Control Area.

IRS shall mean the Internal Revenue Service.

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from another Party's performance, or non-performance of its obligations under the Elective Transmission Upgrade Interconnection Agreement on behalf of the

Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnifying Party.

Major Permits shall be as defined in Section III.13.1.1.2.2.2(a) of the Tariff.

Material Modification shall mean: (i) except as expressly provided in Section 4.4.1, those modifications to the Interconnection Request, including any of the technical data provided by the Interconnection Customer in Appendix 1, Attachment A to the Interconnection Request or to the interconnection configuration, requested by the Interconnection Customer, that either require significant additional study of the same Interconnection Request and could substantially change the interconnection design, or have a material impact (*i.e.*, an evaluation of the proposed modification cannot be completed in less than ten (10) Business Days) on the cost or timing of any Interconnection Studies or upgrades associated with an Interconnection Request with an equal or later queue Queue Position; (ii) a change to the design or operating characteristics of an existing Pool Transmission Facility, Merchant Transmission Facility, or Other Transmission Facility that is interconnected with the Administered Transmission System that may have a significant adverse effect on the reliability or operating characteristics of the New England Transmission System; (iii) a delay to the Commercial Operation Date, In-Service Date, or Trial Operation Date of greater than three (3) years where the reason for delay is unrelated to construction schedules or permitting which delay is beyond the Interconnection Customer's control.

Metering Equipment shall mean all metering equipment installed or to be installed pursuant to the Elective Transmission Upgrade Interconnection Agreement, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

Multiparty Affected System Facilities Construction Agreement shall mean the agreement contained in Appendix 12 to this ETU IP that is made among Interconnecting Transmission Owner and multiple Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary Affected System Network Upgrades on the New England Transmission System.

Multiparty Affected System Study Agreement shall mean the agreement contained in Appendix 8 to this ETU IP that is made among Interconnecting Transmission Owner, System Operator and multiple Affected System Interconnection Customers to conduct an Affected System Study pursuant to Section 9 of this ETU IP.

Network Capability Interconnection Standard ("NC Interconnection Standard") shall mean the minimum criteria required to permit the Interconnection Customer to interconnect a Generating Facility seeking Network Resource Interconnection Service or Elective Transmission Upgrade seeking Network Import Interconnection Service in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the Generating Facility seeking Network Resource Interconnection Service or Elective Transmission Upgrade seeking Network Import Interconnection Service, as detailed in the ISO New England Planning Procedures.

Network Import Capability ("NI Capability") shall mean the MW quantity associated with NI Interconnection Service, calculated as described in Section II.48 of the Tariff.

Network Import Interconnection Service ("NI Interconnection Service") shall mean the Interconnection Service selected by the Interconnection Customer to interconnect its Elective Transmission Upgrade to the Administered Transmission System in accordance with the Network Capability Interconnection Standard. An Interconnection Customer's Network Import Interconnection Service shall be solely for the megawatt amount of the Network Import Capability. Network Import Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the New England Transmission System required at or beyond the Point of Interconnection to accommodate the interconnection of the Elective Transmission Upgrade to the Administered Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Elective Transmission Upgrade Interconnection Agreement or its performance.

Optional Interconnection Study shall mean a sensitivity analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 4 of the Elective Transmission Upgrade Interconnection Procedures for conducting the Optional Interconnection Study.

Party shall mean the System Operator, Interconnection Customer and Interconnecting Transmission Owner or any combination of the above.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Elective Transmission Upgrade Interconnection Agreement, where the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities connect to the Interconnecting Transmission Owner's Interconnection Facilities.

Point of Interconnection shall mean the point(s), as set forth in Appendix A to the Elective Transmission Upgrade Interconnection Agreement, where the Interconnection Facilities connect to the Administered Transmission System.

Proportional Impact Method shall mean a technical analysis conducted by the System Operator in accordance with the criteria and parameters specified in the ISO New England Planning Procedures to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

Queue Position shall mean the order of a valid request in the New England Control Area, relative to all other pending requests in the New England Control Area, that is established based upon the date and time of receipt of such request by the System Operator. Requests are comprised of interconnection requests for Generating Facilities, Elective Transmission Upgrades, and requests for transmission service.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Elective Transmission Upgrade Interconnection Agreement, efforts that are timely and

consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Regulatory Limitations shall mean a federal, state, Tribal, or local law that makes it practically infeasible to obtain Site Control within the time frame detailed in Section 3.3.2 of this ETU IP.

Scoping Meeting shall mean the meeting between representatives of the System Operator, Interconnection Customer(s), Interconnecting Transmission Owner(s), or any Affected Party or Internal Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, conducted for the purpose of discussing the proposed Interconnection Requests and any alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.4 of this ETU IP, and analyzing such information..

Site Control shall mean the exclusive right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control of sufficient size to construct and operate may be demonstrated by documentation establishing: (a) that the Interconnection Customer is the owner in fee simple of the real property or holds an easement for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; (b) that the Interconnection Customer holds a valid written leasehold or other contractual interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; (c) that the Interconnection Customer holds a valid written option to purchase or a leasehold interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; (d) that the Interconnection Customer holds a duly executed written contract to purchase, acquire an easement, a license or a leasehold interest in the real property for the Elective Transmission Upgrade's terminal locations at the Point of Interconnection within the New England Control Area; or (e) that the Interconnection Customer has filed applications for required permits to site on federal or state property where the Elective Transmission Upgrade's terminal locations will be located at the Point of Interconnection within the New England Control Area.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the New England Transmission System during their construction and the following conditions are met: (1) a Substation Network Upgrade must only be required for a single Interconnection Customer in the Cluster and no other Interconnection Customer in that Cluster is required to interconnect to the same Substation Network Upgrades, and (2) a System Network Upgrade must only be required for a single Interconnection Customer in the Cluster, as indicated under the System Operator's Proportional Impact Method. The System Operator, Interconnection Customer, Interconnecting Transmission Owner, and any Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Elective Transmission Upgrade Interconnection Agreement.

Study Case shall have the meaning specified in Section 7.3 of this ETU IP.

Substation Network Upgrade shall mean Network Upgrades comprising breakers, bus positions and associated equipment that are required at the substation located at the Point of Interconnection.

System Network Upgrades shall mean Network Upgrades that are required beyond the substations located at the Point of Interconnection

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

Transitional Cluster Study shall mean an Interconnection Study evaluating a Cluster of Interconnection Requests during the transition to the Cluster Study Process, as set forth in Section 5.1.1.2 of this ETU IP.

Transitional Cluster Study Report shall mean the report issued following completion of a Transitional Cluster Study pursuant to Section 5.1.1.2 of this ETU IP.

Transitional Serial Interconnection Facilities Study shall mean an Interconnection Facilities Study evaluating an Interconnection Request on a serial basis during the transition to the Cluster Study Process, as set forth in Section 5.1.1.1 of this ETU IP.

Transitional Serial Interconnection Facilities Study Report shall mean the report issued following completion of a Transitional Interconnection Facilities Study pursuant to Section 5.1.1.1 of this ETU IP.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Elective Transmission Upgrade prior to Commercial Operation.

Trial Operation Date shall mean the date upon which the Elective Transmission Upgrade begins Trial Operation.

Withdrawal Penalty shall mean the penalty assessed by System Operator to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from System Operator's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 3.6.1 of this ETU IP.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 **Effective Date**. This ETU IA shall become effective upon execution by the Parties subject to acceptance by the Commission (if applicable), or if filed unexecuted, upon the date specified by the Commission. System Operator and Interconnecting Transmission Owner, shall promptly and jointly file this ETU IA with the Commission upon execution in accordance with Section 11.3 of the ETU IP and Article 3.1, if required.

2.2 Term of Agreement. This ETU IA, subject to the provisions of Article 2.3, and by mutual agreement of the Parties, shall remain in effect for a period of _____ years from the Effective Date (*term to be specified in individual Agreement, but in no case should the term be less than ten (10) years from the Effective Date or such other longer period as the Interconnection Customer may request)* and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

2.3.1 Written Notice. This ETU IA may be terminated by the Interconnection Customer, subject to continuing obligations of this ETU IA and the Tariff, after giving the System Operator and Interconnecting Transmission Owner ninety (90) Calendar Days advance written notice, or by System Operator or Interconnecting Transmission Owner notifying the Commission after the Elective Transmission Upgrade retires pursuant to the Tariff, provided that if an Interconnection Customer exercises its right to terminate on ninety (90) Calendar Days, any reconnection would be treated as a new interconnection request; or this ETU IA may be terminated by Interconnecting Transmission Owner or System Operator by notifying the Commission after the Elective Transmission Upgrade permanently ceases Commercial Operation.

2.3.2 Default. Each Party may terminate this ETU IA in accordance with Article 17. Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing, if applicable, with the Commission of a notice of termination of this ETU IA, which notice has been accepted for filing by the Commission. Termination of the ETU IA shall not supersede or alter any requirements for deactivation or retirement of an Elective Transmission Upgrade under ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

2.4 Termination Costs. If a Party elects to terminate this ETU IA pursuant to Article 2.3 above, each Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other

Party(ies), as of the date of such Party's(ies') receipt of such notice of termination, that are the responsibility of such Party(ies) under this ETU IA. In the event of termination by a Party, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this ETU IA, unless otherwise ordered or approved by the Commission:

2.4.1 With respect to any portion of the Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades to the extent covered by this ETU IA, that have not yet been constructed or installed, the Interconnecting Transmission Owner shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Interconnecting Transmission Owner shall deliver such material and equipment, and, if necessary, and to the extent possible, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Interconnecting Transmission Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, either (i) in the case of overpayment, Interconnecting Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by the Interconnecting Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts, or (ii) in the case of underpayment, Interconnection Customer shall promptly pay such amounts still due plus any costs, including penalties incurred by Interconnecting Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.
If an Interconnection Customer terminates this ETU IA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which the Interconnecting Transmission Owner has incurred expenses and has not been reimbursed by the Interconnection Customer.

2.4.2 Interconnecting Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which case Interconnecting Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this ETU IA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection. Upon termination of this ETU IA, Interconnection Service shall terminate and, the Parties will take all appropriate steps to disconnect the Elective Transmission Upgrade from the Interconnecting Transmission Owner's Interconnection Facilities. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from a non-terminating Party's Default of this ETU IA or such non-terminating Party otherwise is responsible for these costs under this ETU IA.

2.6 Survival. This ETU IA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this ETU IA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this ETU IA was in effect; and to permit each Party to have access to the lands of the other Party(ies) pursuant to this ETU IA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

3.1 Filing. The System Operator and Interconnecting Transmission Owner shall jointly file this ETU IA (and any amendment hereto) with the appropriate Governmental Authority, if required, in accordance with Section 11.3 of the ETU IP. Interconnection Customer may request that any

information so provided be subject to the confidentiality provisions of Article 22. If the Interconnection Customer has executed this ETU IA, or any amendment thereto, the Interconnection Customer shall reasonably cooperate with the System Operator and Interconnecting Transmission Owner with respect to such filing and to provide any information reasonably requested by the System Operator and/or the Interconnecting Transmission Owner needed to comply with applicable regulatory requirements.

ARTICLE 4. SCOPE OF SERVICE

4.1 Interconnection Product Options. Interconnection Customer with an External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility (import direction) has selected the following (checked) type(s) of Interconnection Service:

Check: ___ NI Interconnection Service (NI Capability Only)

___ CNI Interconnection Service (CNI Capability and NI Capability)

4.1.1 Capacity Network Import Interconnection Service (CNI Interconnection Service).

4.1.1.1 The Product. The System Operator and Interconnecting Transmission Owner must conduct the necessary studies and the Interconnecting Transmission Owner and Internal Affected Parties must construct the Network Upgrades needed to interconnect the External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility under the CC Interconnection Standard. CNI Interconnection Service allows the Interconnection Customer's External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility to enable the participation of an Import Capacity Resource in the New England Markets, in accordance with Market Rule 1, Section III of the Tariff, up to the net CNI Capability, or as otherwise provided in Market Rule 1, Section III of the Tariff.

4.1.2 Network Import Interconnection Service (NI Interconnection Service).

4.1.2.1 The Product. The System Operator and Interconnecting Transmission Owner must conduct the necessary studies and Interconnecting Transmission Owner and Internal Affected Parties must construct the Network Upgrades needed to interconnect the External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility under the NC Interconnection Standard. NI Interconnection Service allows the Interconnection Customer's External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility to participate in the New England Markets, in accordance with Market Rule 1, Section III of the Tariff, up to the NI Capability or as otherwise provided in Market Rule l, Section III of the Tariff. Notwithstanding the above, the portion of an External ETU that is a controllable Merchant Transmission Facility or Other Transmission Facility that has been interconnected under the NC Interconnection Standard cannot be used to support an Import Capacity Resource's(s') participation in the Forward Capacity Market under Section III.13 of the Tariff, except pursuant to a new Interconnection Request for CNI Interconnection Service.

4.2 Provision of Service. System Operator and Interconnecting Transmission Owner shall provide Interconnection Service for the Elective Transmission Upgrade at the Point of Interconnection.

4.3 Performance Standards. Each Party shall perform all of its obligations under this ETU IA in accordance with Applicable Laws and Regulations, the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such requirements and standards, such Party shall not be deemed to be in Breach of this ETU IA for its compliance therewith. If such Party is the Interconnecting Transmission Owner, then that Party shall amend the ETU IA and System Operator, in conjunction with the Interconnecting Transmission Owner, shall submit the amendment to the Commission for approval.

4.4 **No Transmission Delivery Service**. The execution of this ETU IA does not constitute a request for, nor the provision of, any service except for Interconnection Service, including, but not limited to, transmission delivery service, local delivery service, distribution service, capacity service, energy service, or Ancillary Services under any applicable tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 **Transmission Delivery Service Implications**. Interconnection Service allows the Interconnection Customer's Elective Transmission Upgrade to be interconnected to the Administered Transmission System. Although Interconnection Service does not convey a reservation of transmission service, any Network Customer can utilize its network service under the Tariff to obtain delivery of capability from the Interconnection Customer's Elective Transmission Upgrade. An Elective Transmission Upgrade may also be used to provide Ancillary Services, in accordance with the Tariff, after technical studies and/or periodic analyses are performed with respect to the Elective Transmission Upgrade's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Elective Transmission Upgrade. However, an Interconnection Customer's Elective Transmission Upgrade cannot be required to provide Ancillary Services except to the extent such requirements extend to all Elective Transmission Upgrades that are similarly situated.

Interconnection Service does not necessarily provide the Interconnection Customer with the capability to physically deliver electricity to any particular load on the New England Transmission System without incurring congestion costs. In the event of transmission constraints on the New England Transmission System, the Interconnection Customer's Elective Transmission Upgrade shall be subject to the applicable congestion management procedures for the New England Transmission System.

Once an Interconnection Customer satisfies the requirements for obtaining Interconnection Service, as long as the Elective Transmission Upgrade has not been deemed to be retired, any future transmission service request for delivery of electricity from the Elective Transmission Upgrade to the New England Transmission System of any amount of capacity capability and/or energy capability will not require that any additional studies be performed or that any further

upgrades associated with such Elective Transmission Upgrade be undertaken, and regardless of changes in ownership of the Elective Transmission Upgrade. To the extent the Interconnection Customer enters into an arrangement for long-term transmission service for deliveries from the Elective Transmission Upgrade outside the New England Transmission System, or if the Elective Transmission Upgrade has been deemed to be retired, such request may require additional studies and upgrades in order for Interconnecting Transmission Owner to grant such request.

4.6 Interconnection Customer Provided Services. The services provided by Interconnection Customer under this ETU IA are set forth in Article 9.6 and Article 13.4. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall specify the In-Service Date, Trial Operation Date, and Commercial Operation Date as specified in the Interconnection Request or as subsequently revised pursuant to Section 4.4 of the ETU IP; and select either Standard Option or Alternate Option set forth below for completion of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, and such dates and selected option shall be set forth in Appendix B (Milestones). In accordance with Section 8 of the ETU IP and unless otherwise mutually agreed, the Alternate Option is not an available option if the Interconnection Customer waived the Interconnection Facilities Study.

5.1.1 Standard Option. The Interconnecting Transmission Owner shall design, procure, and construct the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B (Milestones). The Interconnecting Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures,

its labor agreements, and Applicable Laws and Regulations. In the event the Interconnecting Transmission Owner reasonably expects that it will not be able to complete the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades by the specified dates, the Interconnecting Transmission Owner shall promptly provide written notice to the Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by Interconnection Customer are acceptable to Interconnecting Transmission Owner, the Interconnecting Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities by the designated dates.
If Interconnecting Transmission Owner subsequently fails to complete Interconnecting Transmission Owner's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Trial Operation Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B (Milestones); Interconnecting Transmission Owner shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the applicable System Operator refuses to grant clearances to install equipment.

5.1.3 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Interconnecting Transmission Owner, the Interconnecting Transmission Owner shall so notify the Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2 if the requirements of this Article 5.1.3 are met. When multiple Interconnection Customers exercise this option, multiple Interconnection

Customers may agree to exercise this option provided (1) all Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades constructed under this option are only required for Interconnection Customers in a single Cluster and (2) all impacted Interconnection Customers execute and provide to Interconnecting Transmission Owner an agreement regarding responsibilities and payment for the construction of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades planned to be built under this option. The System Operator, Interconnecting Transmission Owner, Interconnection Customer, the individual Interconnection Customer or each of the multiple Interconnection Customers, and any Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A to the ETU IA. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option. If the Interconnection Customer elects not to exercise its option under Article 5.1.3 (Option to Build), Interconnection Customer shall so notify Interconnecting Transmission Owner within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Interconnecting Transmission Owner is responsible for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Interconnecting Transmission Owner shall assume responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1 (Standard Option).

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) Interconnection Customer shall engineer, procure equipment, and construct the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Interconnecting Transmission Owner;

(2) Interconnection Customer's engineering, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Interconnecting Transmission Owner would be subject in the engineering, procurement or construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(3) Interconnecting Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(4) Prior to commencement of construction, Interconnection Customer shall provide to Interconnecting Transmission Owner a schedule for construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Interconnecting Transmission Owner;

(5) At any time during construction, Interconnecting Transmission Owner shall have the right to gain unrestricted access to the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(6) At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Interconnecting Transmission Owner, the Interconnection Customer shall be obligated to

remedy deficiencies in that portion of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify the Interconnecting Transmission Owner for claims arising from the Interconnection Customer's construction of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 (Indemnity);

(8) Interconnection Customer shall transfer control of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the Interconnecting Transmission Owner;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Interconnecting Transmission Owner;

(10) Interconnecting Transmission Owner shall approve and accept for operation and maintenance the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(11) Interconnection Customer shall deliver to Interconnecting Transmission Owner "as built" drawings, information, and any other documents that are reasonably required by Interconnecting Transmission Owner to assure that the Interconnection Facilities and Stand Alone Network Upgrades are built to the standards and specifications required by Interconnecting Transmission Owner.

5.3 Liquidated Damages. The actual damages to the Interconnection Customer, in the event the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades are not completed by the dates designated by the Interconnection Customer and accepted by the Interconnecting Transmission Owner pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity

costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by the Interconnecting Transmission Owner to the Interconnection Customer in the event that Interconnecting Transmission Owner does not complete any portion of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, in the aggregate, for which Interconnecting Transmission Owner has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades for which the Interconnecting Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by the Interconnecting Transmission Owner to the Interconnection Customer as just compensation for the damages caused to the Interconnection Customer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this ETU IA. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Interconnecting Transmission Owner's failure to meet its schedule.

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades to transmit power from the Elective Transmission Upgrade on the specified dates, unless the Interconnection Customer would have been able to commence use of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades to transmit power from the Elective Transmission Upgrade, but for Interconnecting Transmission Owner's delay; (2) the Interconnecting Transmission Owner's failure to meet the specified dates is the result of the action or inaction of the Interconnection Customer or any other Interconnection Customer who has entered into an ETU IA with the Interconnecting Transmission Owner or any cause beyond Interconnecting Transmission Owner's reasonable control or reasonable ability to cure, including, but not limited to, actions by the System Operator that cause delays and/or delays in licensing, permitting or consents where the Interconnecting Transmission Owner has pursued such licenses, permits or consents in good

faith; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

5.4 **Power System Stabilizers**. If a Power System Stabilizer or other frequency damping control equipment is required to be installed on the Elective Transmission Upgrade for the purpose of maintaining system stability, the Interconnection Customer shall procure, install, maintain and operate such equipment in accordance with the guidelines and procedures established by the System Operator and Interconnecting Transmission Owner, and consistent with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The System Operator and Interconnecting Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers or other frequency damping control equipment, subject to the design and operating limitations of the Elective Transmission Upgrade. If the Elective Transmission Upgrade's Power System Stabilizers or other frequency damping control equipment are removed from service or not capable of automatic operation, the Interconnection Customer shall immediately notify the System Operator and Interconnecting Transmission Owner, or their designated representative.

5.5 **Equipment Procurement**. If responsibility for construction of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by the Interconnecting Transmission Owner, then the Interconnecting Transmission Owner shall commence design of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Parties otherwise agree in writing:

5.5.1 The Interconnecting Transmission Owner has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 The Interconnecting Transmission Owner has received written authorization to proceed with design and procurement from the Interconnection Customer by the date specified in Appendix B (Milestones); and

5.5.3 The Interconnection Customer has provided security to the Interconnecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B (Milestones).

5.6 **Construction Commencement**. The Interconnecting Transmission Owner shall commence construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

5.6.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

5.6.2 Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 The Interconnecting Transmission Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix B (Milestones); and

5.6.4 The Interconnection Customer has provided security to Interconnecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B (Milestones).

5.7 **Work Progress**. The Interconnection Customer and the Interconnecting Transmission Owner shall keep each Party informed, by written quarterly progress reports, as to the progress of their respective design, procurement and construction efforts in order to meet the dates specified in Appendix B (Milestones). Any Party may also, at any other time, request a written progress report from the other Parties. If, at any time, the Interconnection Customer determines that the completion of the Interconnecting Transmission Owner's Interconnection Facilities will not be required until after the specified In-Service Date, the Interconnection Customer, upon the System Operator's approval that the change in the In-Service Date will not constitute a Material

Modification pursuant to Section 4.4 of the ETU IP, will provide written notice to the Interconnecting Transmission Owner of such later date upon which the completion of the Interconnecting Transmission Owner's Interconnection Facilities will be required.

5.8 Information Exchange. As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the New England Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation. If any of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Elective Transmission Upgrade, System Operator and the Interconnecting Transmission Owner shall, upon the request and at the expense of Interconnection Customer, perform operating studies to determine the extent to which the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this ETU IA. System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to complete the operating studies and permit Interconnection Customer to operate the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities in accordance with the results of such studies.

5.10 Elective Transmission Upgrade ("ETU") and Interconnection Customer's Interconnection Facilities ("ICIF"). Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades).

5.10.1 Elective Transmission Upgrade Specifications. Interconnection Customer shall submit initial specifications for the ETU and ICIF, including System Protection Facilities, to Interconnecting Transmission Owner at least one hundred eighty (180) Calendar Days prior to the Trial Operation Date; and final specifications for review and comment at least

ninety (90) Calendar Days prior to the Trial Operation Date. Interconnecting Transmission Owner shall review such specifications to ensure that the ETU and ICIF are compatible with the technical specifications, operational control, and safety requirements of the Interconnecting Transmission Owner and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Interconnecting Transmission Owner's Review. Interconnecting Transmission Owner's review of Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the ETU or the ICIF. Interconnection Customer shall make such changes to the ETU or the ICIF as may reasonably be required by Interconnecting Transmission Owner, in accordance with Good Utility Practice, to ensure that the ETU and ICIF are compatible with the technical specifications, operational control, and safety requirements of the Interconnecting Transmission Owner.

5.10.3 ETU and ICIF Construction. The ETU and ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Interconnection Customer shall deliver to the Interconnecting Transmission Owner "as-built" drawings, information and documents for the ETU and ICIF, such as: a one-line diagram, a site plan showing the ETU and the ICIF, plan and elevation drawings showing the layout of the ETU and ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the ETU and the ICIF, and the impedances (determined by factory tests) for any associated transformers. The Interconnection Customer shall provide Interconnecting Transmission Owner specifications for any and all controls, automatic voltage regulating equipment or controls, ETU control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Interconnecting Transmission Owner's Interconnection Facilities Construction. The Interconnecting Transmission Owner's Interconnection Facilities shall be designed and

constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Interconnecting Transmission Owner shall deliver to the Interconnection Customer "as-built" drawings, information and documents for the Interconnecting Transmission Owner's Interconnection Facilities. The appropriate drawings and relay diagrams shall be included in Appendix A of this ETU IA.

The System Operator will obtain operational control of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities pursuant to the TOA.

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at the incremental cost to another Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents if allowed under the applicable agency agreement, that are necessary to enable the Access Party solely to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Elective Transmission Upgrade with the Administered Transmission System; (ii) operate and maintain the Elective Transmission Upgrade, the Interconnection Facilities and the New England Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this ETU IA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of the Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Interconnecting Transmission Owner, the Interconnecting Transmission Owner shall at Interconnection Customer's expense use Reasonable Efforts, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the

Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property. Notwithstanding the foregoing, the Interconnecting Transmission Owner shall not be obligated to exercise eminent domain authority in a manner inconsistent with Applicable Laws and Regulations or when an Interconnection Customer is authorized under Applicable Laws and Regulations to exercise eminent domain on its own behalf.

5.14 Permits. System Operator, Interconnecting Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Interconnecting Transmission Owner shall provide permitting assistance to the Interconnection Customer comparable to that provided to the Interconnecting Transmission Owner's own, or an Affiliate's generation or transmission facilities, if any.

5.15 Early Construction of Base Case Facilities. Interconnection Customer may request Interconnecting Transmission Owner to construct, and Interconnecting Transmission Owner shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades required for Interconnection Customer to be interconnected to the Administered Transmission System, which are included in the Base Case of the Facilities Study for the Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date. The Interconnection Customer shall reimburse the Interconnecting Transmission Owner for all costs incurred related to early construction to the extent such costs are not recovered from other Interconnection Customers included in the base case.

5.16 Suspension. Interconnection Customer reserves the right, upon written notice to Interconnecting Transmission Owner and System Operator, to suspend all work by Interconnecting Transmission Owner associated with the construction and installation of Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this ETU IA at any time with the condition that the New England Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the System Operator's and

Interconnecting Transmission Owner's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Interconnecting Transmission Owner (i) has incurred pursuant to this ETU IA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New England Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Interconnecting Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Interconnecting Transmission Owner shall obtain Interconnection Customer's authorization to do so. Interconnecting Transmission Owner shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Interconnecting Transmission Owner required under this ETU IA pursuant to this Article 5.16, and has not requested Interconnecting Transmission Owner to recommence the work required under this ETU IA on or before the expiration of three (3) years following commencement of such suspension, this ETU IA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Interconnecting Transmission Owner and System Operator, if no effective date is specified. A suspension under this Article 5.16 does not automatically permit an extension of the In-Service Date, the Trial Operation Date or the Commercial Operation Date. A request for extension of such dates is subject to Section 4.4.5 of the ETU IP. Notwithstanding the extensions permitted under Section 4.4.5 of the ETU IP, the three-year period shall in no way result in an extension of the In-Service Date, the Trial Operation Date or the Commercial Operation Date that exceeds seven (7) years from the date of the Interconnection Request; otherwise, this ETU IA shall be deemed terminated.

5.17 Taxes.

5.17.1 Payments Not Taxable. The Parties intend that all payments or property transfers made by any Party for the installation of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code

and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity transmitted on the Elective Transmission Upgrade will pass to another party prior to the transmission of the electricity on the New England Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Interconnecting Transmission Owner for the Interconnecting Transmission Owner's Interconnection Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Interconnecting Transmission Owner's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Elective Transmission Upgrade. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Interconnecting Transmission Owner's request, Interconnection Customer shall provide Interconnecting Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Interconnecting Transmission Owner represents and covenants that the cost of the Interconnecting Transmission Owner's Interconnection Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Interconnecting Transmission Owner. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Interconnecting Transmission Owner from the cost consequences of any current tax liability imposed against

Interconnecting Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner under this ETU IA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Interconnecting Transmission Owner.

The Interconnecting Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this ETU IA unless (i) Interconnecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Interconnecting Transmission Owner to report payments or property as income subject to taxation; provided, however, that Interconnecting Transmission Owner may require Interconnection Customer to provide security, in a form reasonably acceptable to Interconnecting Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Interconnecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Interconnecting Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten year testing period, and the applicable statute of limitation, as it may be extended by the Interconnecting Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Interconnecting Transmission Owner, in addition to the amount paid for the Interconnection Facilities and Network Upgrades, an amount

equal to (1) the current taxes imposed on Interconnecting Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Interconnecting Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner under this ETU IA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit the Interconnecting Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).For this purpose, (i) Current Taxes shall be computed based on Interconnecting Transmission Owner composite federal and state tax rates at the time the payments or property transfers are received and Interconnecting Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Interconnecting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Interconnecting Transmission Owner current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: (Current Tax Rate x (Gross Income Amount – Present Value of Tax Depreciation))/(1-Current Tax Rate). Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades).

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Interconnection Customer's request and expense, Interconnecting Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Interconnection Customer to Interconnecting Transmission Owner under this ETU IA are subject to federal income taxation. Interconnection Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Interconnection Customer's knowledge. Interconnecting Transmission Owner

and Interconnection Customer shall cooperate in good faith with respect to the submission of such request.

Interconnecting Transmission Owner shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Interconnecting Transmission Owner shall allow Interconnection Customer to attend all meetings with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events. If, within ten (10) years from the date on which the relevant Interconnecting Transmission Owner's Interconnection Facilities are placed in service, (i) Interconnection Customer Breaches the covenant contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this ETU IA terminates and Interconnecting Transmission Owner retains ownership of the Interconnection Facilities and Network Upgrades, the Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Interconnecting Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7 Contests. In the event any Governmental Authority determines that Interconnecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Interconnecting Transmission Owner shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Interconnecting Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Interconnecting Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a

determination. Interconnecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Interconnecting Transmission Owner shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Interconnecting Transmission Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Interconnecting Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Interconnecting Transmission Owner, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Interconnecting Transmission Owner for the tax at issue in the contest.

5.17.8 Refund. In the event that (a) a private letter ruling is issued to Interconnecting Transmission Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Interconnecting Transmission Owner under the terms of this ETU IA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Interconnecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to

Interconnecting Transmission Owner under the terms of this ETU IA is not taxable to Interconnecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Interconnecting Transmission Owner are not subject to federal income tax, or (d) if Interconnecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Interconnecting Transmission Owner pursuant to this ETU IA, Interconnecting Transmission Owner shall promptly refund to Interconnection Customer the following:

(i) any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,

(ii) interest on any amounts paid by Interconnection Customer to Interconnecting Transmission Owner for such taxes which Interconnecting Transmission Owner did not submit to the taxing authority, interest calculated in accordance with the methodology set forth in the Commission's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Interconnecting Transmission Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Interconnecting Transmission Owner, any refund or credit Interconnecting Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to the Interconnecting Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Interconnecting Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Interconnecting Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Interconnecting Transmission Owner has received a tax refund, credit or

offset from any Governmental Authority for any applicable overpayment of income tax related to the Interconnecting Transmission Owner's Interconnection Facilities.

The intent of this provision is to leave Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities and Network Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes. Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Interconnecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Interconnecting Transmission Owner for which Interconnection Customer may be required to reimburse Interconnecting Transmission Owner under the terms of this ETU IA. Interconnection Customer shall pay to Interconnecting Transmission Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, Interconnecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Interconnecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Interconnecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Interconnecting Transmission Owner.

5.18 Tax Status. Each Party shall cooperate with the others to maintain the other Party's(ies') tax status. Nothing in this ETU IA is intended to adversely affect any Interconnecting Transmission Owner's tax-exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. Either Interconnection Customer or Interconnecting Transmission Owner may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, the facilities of any Affected Parties or Internal Affected Parties, or the New England Transmission System, that Party shall provide to the other Parties and any Affected Party or Internal Affected Parties: (i) sufficient information regarding such modification so that the other Party(ies) may evaluate the potential impact of such modification prior to commencement of the work; and (ii) such information as may be required by the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Such information shall be deemed to be confidential 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 Elective Transmission Upgrade. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party(ies) 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. Notwithstanding the foregoing, no Party shall be obligated to proceed with a modification that would constitute a Material Modification and therefore require an Interconnection Request under the ETU IP, except as provided under and pursuant to the ETU IP.

In the case of Elective Transmission Upgrade or Interconnection Customer's Interconnection Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Interconnecting Transmission Owner shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the New England Transmission System, Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

5.19.2 Standards. Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this ETU IA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Interconnecting Transmission Owner makes to the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System to facilitate the interconnection of a third party to the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System, or to provide transmission service to a third party under the Tariff, except as provided for under the Tariff or any other applicable tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Elective Transmission Upgrade or Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, the Interconnecting Transmission Owner shall test Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall transmit test energy to or from the Elective Transmission Upgrade only if it has arranged for the transfer of such test energy.

6.2 Post-Commercial Operation Date Testing and Modifications. Each Interconnection Customer and Interconnecting Transmission Owner shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with ISO New England Operating

Documents, Applicable Reliability Standards, or successor documents, as may be necessary to ensure the continued interconnection of the Elective Transmission Upgrade to the Administered Transmission System in a safe and reliable manner. The Interconnection Customer and Interconnecting Transmission Owner each shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's(ies') facilities, at the requesting Party's expense, as may be in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The System Operator shall also have the right to require reasonable additional testing of the other Party's (ies') facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

6.3 Right to Observe Testing. Each Party shall notify the System Operator and other Party(ies) in advance of its performance of tests of its Elective Transmission Upgrade and Interconnection Facilities. The other Party(ies) has the right, at its own expense, to observe such testing.

6.4 Right to Inspect. Each Party shall have the right, but shall have no obligation to: (i) observe the other Party's(ies') tests and/or inspection of any of its System Protection Facilities and other protective equipment; (ii) review the settings of the other Party's(ies') System Protection Facilities and other protective equipment; and (iii) review the other Party's(ies') maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Each Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be governed by Article 22.

ARTICLE 7. METERING

7.1 General. Interconnection Customer and Interconnecting Transmission Owner shall comply with the ISO New England Operating Documents, Applicable Reliability Standards, or successor

documents, regarding metering. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment. Unless the System Operator otherwise agrees, the Interconnection Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under this Tariff and to communicate the information to the System Operator. Unless otherwise agreed, such equipment shall remain the property of the Interconnecting Transmission Owner.

7.2 Check Meters. Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Interconnecting Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this ETU IA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Interconnecting Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards. Interconnection Customer and Interconnecting Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards and the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

7.4 Testing of Metering Equipment. Interconnection Customer and Interconnecting Transmission Owner shall inspect and test all of their respectively owned Metering Equipment upon installation and thereafter as specified in the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Interconnection Customer and Interconnecting Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than the values specified within ISO New England Operating Documents, or successor documents,

from the measurement made by the standard meter used in the test, the Interconnection Customer and the Interconnecting Transmission Owner shall adjust the measurements of their respective equipment, in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

7.5 Metering Data. At Interconnection Customer's expense, metered data shall be telemetered to one or more locations designated by System Operator and Interconnecting Transmission Owner. The hourly integrated metering, established in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, used to transmit Megawatt hour ("MWh") per hour data by electronic means and the Watt-hour meters equipped with kilowatt-hour ("kwh") or MWh registers to be read at month's end shall be the official measurement of the amount of energy transmitted from the Elective Transmission Upgrade to the Point of Interconnection. Instantaneous metering is required in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 8. COMMUNICATIONS

8.1 Interconnection Customer Obligations. Interconnection Customer shall maintain satisfactory operating communications with the System Operator and Interconnecting Transmission Owner in accordance with applicable provisions of ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

8.2 Remote Terminal Unit. Prior to the Trial Operation Date of the Elective Transmission Upgrade, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer or Interconnecting Transmission Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by System Operator and Interconnecting Transmission Owner through use of a dedicated point-to-point data circuit(s). The communication protocol for the data circuit(s) shall be specified by System Operator and Interconnecting Transmission Owner. All information required by the ISO New England Operating Documents, or successor documents, must be telemetered directly to the location(s) specified by System Operator and Interconnecting Transmission Owner.

Each Party will promptly advise the other Party(ies) if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party(ies). The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

8.3 No Annexation. Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

8.4 Reserved.

ARTICLE 9. OPERATIONS

9.1 General. Each Party shall comply with applicable provisions of ISO New England Operating Documents, Reliability Standards, or successor documents, regarding operations. Each Party shall provide to the other Party(ies) all information that may reasonably be required by the other Party(ies) to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. Before Trial Operation Date, the Interconnection Customer shall notify the System Operator and Interconnecting Transmission Owner in writing in accordance with ISO New England Operating Documents, Reliability Standards, or successor documents. If the Interconnection Customer elects to have the Elective Transmission Upgrade dispatched and operated from a remote Control Area other than the Control Area in which the Elective Transmission Upgrade is physically located, and if permitted to do so by the relevant transmission tariffs and ISO New England Operating Documents, Reliability Standards, or successor documents, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this ETU IA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Elective Transmission Upgrade in the other Control Area for dispatch and operations.

9.3 Interconnecting Transmission Owner and System Operator Obligations. Interconnecting Transmission Owner and System Operator shall cause the Interconnecting Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this ETU IA and ISO New England Operating Documents, Reliability Standards, or successor documents. Interconnecting Transmission Owner or System Operator may provide operating instructions to Interconnection Customer consistent with this ETU IA, ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and Interconnecting Transmission Owner's and System Operator's operating protocols and procedures as they may change from time to time. Interconnecting Transmission Owner and System Operator will consider changes to their operating protocols and procedures proposed by Interconnection Customer.

9.4 Interconnection Customer Obligations. Interconnection Customer shall at its own expense operate, maintain and control the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this ETU IA and ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.5 Start-Up and Trial Operation. The Interconnection Customer is responsible for the proper start-up and Trial Operation of the Elective Transmission Upgrade as part of the New England Transmission System in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the Elective Transmission Upgrade and Interconnection Facilities that are capable of voltage control to maintain a composite power delivery at continuous rated power output at the Point of Interconnection with dynamic reactive capability over the power factor range of 0.95 leading to 0.95 lagging or any reactive power or power factor requirement specified in the Interconnection System Impact Study for the Elective Transmission Upgrade, unless the System Operator or Interconnecting Transmission Owner has established different

requirements that apply to all similar-situated facilities in the Control Area on a comparable basis and in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.6.2 Voltage Schedules. Once the Interconnection Customer has commenced Trial Operation of the Elective Transmission Upgrade to the New England Transmission System, Interconnection Customer shall operate the Elective Transmission Upgrade at the direction of System Operator and Interconnecting Transmission Owner in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, regarding voltage schedules in accordance with such requirements.

9.6.2.1 Voltage Regulating Equipment. The Interconnection Customer must keep and maintain voltage regulating equipment on all voltage-controlling elements of the Elective Transmission Upgrade and Interconnection Facilities any voltage control requirements specified in the Interconnection System Impact Study and in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. All Interconnection Customers that have, or are required to have, voltage regulating equipment shall normally operate the voltage regulating equipment in automatic operation.

It is the responsibility of the Interconnection Customer to maintain the voltage regulating equipment and function in good operating condition and promptly report to the System Operator and Interconnecting Transmission Owner any problems that could cause interference with its proper operation.

9.6.2.2 Governor Control. The Interconnection Customer is obligated to provide and maintain a functioning governor or frequency regulation on all elements of the Elective Transmission Upgrade and Interconnection Facilities that are capable of frequency regulation in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

It is the responsibility of the Interconnection Customer to maintain the frequency regulating equipment and function in good operating condition and promptly report to the System Operator and Interconnecting Transmission Owner any problems that could cause interference with its proper operation.

9.6.2.3 System Protection. The Interconnection Customer shall install and maintain protection systems in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.6.3 Payment for Reactive Power.

Interconnection Customers shall be compensated for Reactive Power service in accordance with Schedule 2 of the Section II of the Tariff.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. The System Operator shall have the authority to coordinate facility outages in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Each Party may in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, in coordination with the other Party(ies), remove from service any of its respective Interconnection Facilities or Network Upgrades that may impact the other Party's(ies') facilities as necessary to perform maintenance or testing or to install or replace equipment, subject to the oversight of System Operator in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.1.2 Outage Schedules. Outage scheduling, and any related compensation, shall be in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.2 Interruption of Service. In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, the System Operator or Interconnecting Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect System Operator's or Interconnecting Transmission Owner's ability to perform such activities as are necessary to safely and reliably operate and maintain the New England Transmission System.

9.7.3 Ride Through Capability and Performance. Interconnection Customer shall implement under-frequency and over-frequency protection set points for the Elective Transmission Upgrade and the Interconnection Facilities as required by the applicable provisions of ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Elective Transmission Upgrade response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with System Operator and Interconnecting Transmission Owner in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by Electric Reliability Organization to ensure voltage "ride through" capability of the Transmission System. The term "ride through" as used herein shall mean the ability of a Elective Transmission Upgrade to stay connected to and synchronized with the New England Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Elective Transmission Upgrades in the New England Control Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the "no trip zone" defined by Reliability Standard PRC-024-3 or successor mandatory ride through reliability standards, the Elective Transmission

Upgrade must ensure that, within any physical limitations of the Elective Transmission Upgrade, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Interconnecting Transmission Owner shall install at Interconnection Customer's expense, in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, any System Protection Facilities that may be required on the Interconnecting Transmission Owner Interconnection Facilities or the New England Transmission System as a result of the interconnection of the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other systems in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.4.4 Each Party's protective relay design shall allow for tests required in Article 6.

9.7.4.5 Each Party will test, operate and maintain System Protection Facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.5 Requirements for Protection. In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Elective Transmission Upgrade to any short circuit occurring on the New England Transmission System not otherwise isolated by Interconnecting Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New England Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Elective Transmission Upgrade and the New England Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Interconnection Customer shall be responsible for protection of the Elective Transmission Upgrade and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Elective Transmission Upgrade and Interconnection Customer's other equipment if conditions on the New England Transmission System could adversely affect the Elective Transmission Upgrade. Relays and other equipment that protect for other conditions such as over- or under-frequency, over- or under-voltage, and overloads shall be coordinated with the protective requirements of the New England Transmission System.

9.7.6 Power Quality. A Party's facilities shall not 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.

9.8 Switching and Tagging Rules. Each Party shall provide the other Party(ies) with a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Third Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Elective Transmission Upgrade to the Administered Transmission System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use the Interconnecting Transmission Owner's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Interconnecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed-upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Interconnecting Transmission Owner, all third party users, and

Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed-upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to the Commission for resolution.

9.10 Disturbance Analysis Data Exchange. The Parties will cooperate with one another in the analysis of disturbances to either the Elective Transmission Upgrade or the New England Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 10. MAINTENANCE

10.1 Interconnecting Transmission Owner and Customer Obligations. Interconnecting Transmission Owner and Interconnection Customer shall each maintain that portion of its respective facilities that are part of the New England Transmission System and the Interconnecting Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

10.2 Operating and Maintenance Expenses. Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Interconnecting Transmission Owner's Interconnection Facilities.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Interconnection Customer's Interconnection Facilities. Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer's Interconnection Facilities described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades) at its sole expense.

11.2 Interconnecting Transmission Owner's Interconnection Facilities. Interconnecting Transmission Owner shall design, procure, construct, install, own and/or control the Interconnecting Transmission Owner's Interconnection Facilities described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades) at the sole expense of the Interconnection Customer.

11.3 Network Upgrades and Distribution Upgrades. Interconnecting Transmission Owner shall design, procure, construct, install, and own the Network Upgrades, and to the extent provided by Article 5.1, Stand Alone Network Upgrades, and Distribution Upgrades described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades). The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless the Interconnecting Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by the Interconnection Customer.

11.4 Cost Allocation; Compensation; Rights; Affected Systems and Internal Affected Systems.

11.4.1 Cost Allocation. Cost allocation of ETU Interconnection Related Upgrades shall be in accordance with Schedules 11 and 12 of Section II of the Tariff.

11.4.2 Compensation. Any compensation due to the Interconnection Customer for increases in transfer capability to the PTF resulting from its ETU and associated system upgrades shall be determined in accordance with Sections II and III of the Tariff.

11.4.3 Rights. Notwithstanding any other provision of this ETU IA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under

any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades.

11.4.4 Special Provisions for Affected Systems and Internal Affected Systems. The Interconnection Customer shall enter into separate related facilities agreements to address any upgrades to the Affected System(s) or Internal Affected System(s) that are necessary for safe and reliable interconnection of the Interconnection Customer's Elective Transmission Upgrade.

11.5 Provision of Security. At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of an Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Interconnecting Transmission Owner a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Interconnecting Transmission Owner in accordance with the Tariff. Such security for payment, as specified in Appendix B of this ETU IA, shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Interconnecting Transmission Owner for these purposes. Interconnecting Transmission Owner must use the ETU IA Deposit required in Section 11.3 of the ETU IP before requiring Interconnection Customer to submit security in addition to that ETU IA Deposit. Interconnecting Transmission Owner must specify, in Appendix B of this ETU IA, the dates for which Interconnection Customer must provide additional security for construction of each discrete portion of Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and Interconnection Customer must provide such additional security. In addition:

11.5.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Interconnecting Transmission Owner, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

11.5.2 The letter of credit must be issued by a financial institution reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.

11.5.3 The surety bond must be issued by an insurer reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.

11.6 Interconnection Customer Compensation. If System Operator or Interconnecting Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.4.1 of this ETU IA, Interconnection Customer shall be compensated pursuant to the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition. Interconnection Customer shall be compensated for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the New England Transmission System during an Emergency Condition in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 12. INVOICE

12.1 General. Each Party shall submit to the other Party(ies), on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party(ies) under this ETU IA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within six months after completion of the construction of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades, Interconnecting Transmission Owner shall provide an invoice of the final cost of the construction of the

Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Interconnecting Transmission Owner shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice. Interconnection Customer shall pay to Interconnecting Transmission Owner any amount by which the actual payment by Interconnection Customer for estimated costs falls short of the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment. Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by any Party will not constitute a waiver of any rights or claims the other Party(ies) may have under this ETU IA.

12.4 Disputes. In the event of a billing dispute between Interconnecting Transmission Owner and Interconnection Customer, Interconnecting Transmission Owner shall continue to provide Interconnection Service under this ETU IA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Interconnecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Interconnecting Transmission Owner may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in the Commission's Regulations at 18 CFR § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

13.1 Obligations. Each Party shall comply with the Emergency Condition procedures of the System Operator in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

13.2 Notice. Interconnecting Transmission Owner or System Operator as applicable shall notify Interconnection Customer and System Operator or Interconnecting Transmission Owner as applicable, promptly when it becomes aware of an Emergency Condition that affects the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Interconnecting Transmission Owner and System Operator promptly when it becomes aware of an Emergency Condition that affects the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the New England Transmission System or the Interconnecting Transmission Owner's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Interconnection Customer's or Interconnecting Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Interconnecting Transmission Owner and System Operator, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by the Interconnecting Transmission Owner or the System Operator or otherwise regarding the New England Transmission System.

13.4 System Operator's and Interconnecting Transmission Owner's Authority.

13.4.1 General. System Operator or Interconnecting Transmission Owner may take whatever actions or inactions with regard to the New England Transmission System or the Interconnecting Transmission Owner's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the New England Transmission System or Interconnecting Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities. System Operator and Interconnecting Transmission Owner may, on the basis of technical considerations and equipment capabilities, require the Elective Transmission Upgrade to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Elective Transmission Upgrade; implementing a reduction or disconnection pursuant to Article 13.4.2; directing the Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Elective Transmission Upgrade and the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of System Operator's and Interconnecting Transmission Owner's operating instructions concerning Elective Transmission Upgrade real power and reactive power output within the manufacturer's design limitations of the Elective Transmission Upgrade's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.4.2 Reduction and Disconnection. System Operator and Interconnecting Transmission Owner may reduce Interconnection Service or disconnect the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities when such reduction or disconnection is necessary in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. These

rights are separate and distinct from any right of curtailment of the System Operator and Interconnecting Transmission Owner pursuant to the Tariff. When the System Operator and Interconnecting Transmission Owner can schedule the reduction or disconnection in advance, System Operator and Interconnecting Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. System Operator and Interconnecting Transmission Owner shall coordinate with the Interconnection Customer in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents to schedule the reduction or disconnection during periods of least impact to the Interconnection Customer and the System Operator and Interconnecting Transmission Owner. Any reduction or disconnection shall continue only for so long as reasonably necessary in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The Parties shall cooperate with each other to restore the Elective Transmission Upgrade, the Interconnection Facilities, and the New England Transmission System to their normal operating state as soon as practicable in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

13.5 Interconnection Customer Authority. In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents and the ETU IA and the ETU IP, the Interconnection Customer may take whatever actions or inactions with regard to the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Elective Transmission Upgrade or the Interconnection Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New England Transmission System and the Interconnecting Transmission Owner's Interconnection Facilities. System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.6 Limited Liability. Except as otherwise provided in Article 11.6.1 of this ETU IA, a Party shall not be liable to another Party for any action it takes in responding to an Emergency Condition so

long as such action is made in good faith and in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements. Each Party's obligations under this ETU IA 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 ETU IA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 1935, as amended. To the extent that a condition arises that could result in Interconnection Customer's inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 1935, as amended, or the Public Utility Regulatory Policies Act of 1978, the Parties shall engage in good faith negotiations to address the condition so that such result will not occur and so that this ETU IA can be performed.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this ETU IA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

14.2.2 This ETU IA is subject to all Applicable Laws and Regulations.

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

ARTICLE 15. NOTICES

15.1 General. Unless otherwise provided in this ETU IA, any notice, demand or request required or permitted to be given by a Party to another Party and any instrument required or permitted to be tendered or delivered by a Party in writing to another 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 (Addresses for Delivery of Notices and Billings).

A Party may change the notice information in this ETU IA by giving five (5) Business Days written notice prior to the effective date of the change.

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

15.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to another 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.

15.4 Operations and Maintenance Notice. Each Party shall notify the other Party(ies) 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.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 A Party shall not be considered to be in Default with respect to any obligation hereunder (including obligations under Article 4), other than the obligation to pay money when due, if 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(ies) in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 Default.

17.1.1 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 ETU IA or the result of an act or omission of the other Party(ies). Upon a Breach, the non-Breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this Article, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Party(ies) shall have the right to terminate this ETU IA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this ETU IA, to recover from the Breaching Party all amounts due

hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this ETU IA.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

Notwithstanding any other provision of this Agreement, the liability, indemnification and insurance provisions of the Transmission Operating Agreement ("TOA") or other applicable operating agreements shall apply to the relationship between the System Operator and the Interconnecting Transmission Owner and the liability, indemnification and insurance provisions of the Tariff apply to the relationship between the System Operator and the Interconnection Customer and between the Interconnecting Transmission Owner and the Interconnection Customer.

18.1 Indemnity. Each Party shall at all times indemnify, defend, and save the other Party(ies) harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's(ies') action or inactions of their obligations under this ETU IA on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by an indemnified Party.

18.1.1 Indemnified Person. If an Indemnified Person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such Indemnified Person may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Article 18, the amount owing to the Indemnified

Person shall be the amount of such Indemnified Person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the Indemnified Person 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.

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 Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person 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 Person or Indemnified Persons having such differing or additional legal defenses.

The Indemnified Person 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 Person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Person, or there exists a conflict or adversity of interest between the Indemnified Person and the Indemnifying Party, in which event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Person, 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 Person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall a Party be liable under any provision of this ETU IA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. The Interconnecting Transmission Owner and the Interconnection Customer shall, at their own expense, maintain in force throughout the period of this ETU IA, and until released by the other Party(ies), the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars ($1,000,000) per occurrence/One Million Dollars ($1,000,000) aggregate combined single limit for personal injury, bodily injury, including death, and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars ($1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars ($20,000,000) per occurrence/Twenty Million Dollars ($20,000,000) aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party(ies), its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this ETU IA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after

termination of this ETU IA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this ETU IA.

18.3.9 Within ten (10) Business Days following execution of this ETU IA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, each Party shall provide certification of all insurance required in this ETU IA, executed by each insurer or by an authorized representative of each insurer.

18.3.10 Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program, provided that such Party's senior secured debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this Article, it shall notify the other Party(ies) that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this ETU IA.

ARTICLE 19. ASSIGNMENT

19.1 Assignment. This ETU IA may be assigned by any Party only with the written consent of the other Parties; provided that the Parties may assign this ETU IA 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 ETU IA; and provided further that the Interconnection Customer shall have the right to assign this ETU IA, without the consent of the Interconnecting Transmission Owner or System Operator, for collateral security purposes to aid in providing financing for the Elective Transmission Upgrade, provided that the Interconnection Customer will promptly notify the Interconnecting Transmission Owner and System Operator of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the Interconnecting Transmission Owner and System Operator of the date and particulars of any such exercise of assignment right(s), including providing the Interconnecting Transmission Owner with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this ETU IA shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

20.1 Severability. If any provision in this ETU IA 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 ETU IA; provided that if the Interconnection Customer (or any third party, but only if such third party is not acting at the direction of the Interconnecting Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

ARTICLE 21. COMPARABILITY

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

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality. Confidential Information shall include, without limitation, all information governed by the ISO New England Information Policy, all information obtained from third parties under confidentiality agreements, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by a Party to another prior to the execution of this ETU IA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by a Party, the other Party(ies) shall provide, in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.1.1 Term. During the term of this ETU IA, and for a period of three (3) years after the expiration or termination of this ETU IA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.1.2 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 ETU IA; or (6) is required, in accordance with Article 22.1.7 of the ETU IA, 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 ETU IA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party(ies) that it no longer is confidential.

22.1.3 Release of Confidential Information. A Party shall not release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or are considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this ETU IA, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

22.1.4 Rights. Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party(ies). The disclosure by each Party to the other Party(ies) of Confidential Information shall not be deemed a waiver by a Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

22.1.5 No Warranties. By providing Confidential Information, a Party does not make any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, a Party does not obligate itself to provide any particular information or Confidential Information to the other Party(ies) nor to enter into any further agreements or proceed with any other relationship or joint venture.

22.1.6 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(ies) under this ETU IA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a 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(ies) with prompt notice of such request(s) or requirement(s) so that the other Party(ies) may seek an appropriate protective order or waive compliance with the terms of this ETU IA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.1.8 Termination of Agreement. Upon termination of this ETU IA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Party(ies), use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party(ies)) or return to the other Party(ies), without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party(ies).

22.1.9 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's(ies') Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Party(ies) shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Parties shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.1.10 Disclosure to the Commission, its Staff, or a State. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR. section 1b.20, if the Commission or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this ETU IA, the Party shall provide the requested information to the Commission or its staff, within the time provided for in the request for information. In providing the information to the Commission or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by the Commission and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party(ies) to this ETU IA prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Party(ies) to the ETU IA when it is notified by the Commission or its staff that a request to release Confidential Information has been received by the Commission, at which time any of the Parties may respond before such information would be made public, pursuant to 18 CFR 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.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this ETU IA ("Confidential Information") shall not be disclosed by the other Party(ies) to any person not employed or retained by the other Party(ies), 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(ies), such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this ETU IA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party(ies) in writing of the information it claims is confidential. Prior to any disclosures of the other Parties' 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(ies) in writing and agrees to assert confidentiality and cooperate with the other Party(ies) in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. ENVIRONMENTAL RELEASES

23.1 Each Party shall notify the other Party(ies), first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Elective Transmission Upgrade or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party(ies). The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four (24) hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party(ies) copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

24.1 Information Acquisition. Subject to any applicable confidentiality restrictions, including, but not limited to, codes of conduct, each Party shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.

24.2 Information Submission by System Operator and Interconnecting Transmission Owner. The initial information submission by System Operator and Interconnecting Transmission Owner hall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation Date and shall include information necessary to allow the Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Parties. On a monthly basis Interconnecting Transmission Owner shall provide Interconnection Customer a status report on the construction and installation of Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation Date. Interconnection Customer shall submit a completed copy of the Elective Transmission Upgrade data requirements contained in Appendix 1 to the ETU IP. It shall also include any additional information provided to Interconnecting Transmission Owner and System Operator for the Cluster Study, Transitional Cluster Study, and Interconnection Facilities Study. Information in this submission shall be the most current Elective Transmission Upgrade design or expected performance data. Information submitted for stability models shall be compatible with Interconnecting Transmission Owner and System Operator standard models. If there is no compatible model, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is different from what was originally provided to Interconnecting Transmission Owner pursuant to the Interconnection Study Agreement between Interconnecting Transmission Owner and Interconnection Customer, then the System Operator will review it and conduct appropriate studies, as needed, at the Interconnection Customer's cost, to determine the impact on the New England Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Commercial Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" Elective Transmission Upgrade information and "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Interconnection Customer shall conduct tests on the Elective Transmission Upgrade as required by Good Utility Practice to verify proper operation of the Elective Transmission Upgrade's voltage regulation capability, and of other automatic controls for which the Elective Transmission Upgrade is reliant upon for acceptable performance, as described and requested by the System Operator. Documentation of the test results will be provided to the System Operator.

The Interconnection Customer shall provide the Interconnecting Transmission Owner and System Operator with any information changes due to proposed equipment replacement, repair, or adjustment. Interconnecting Transmission Owner shall provide the Interconnection Customer and System Operator with any information changes due to proposed equipment replacement, repair or adjustment in the directly connected substation or any adjacent Interconnecting Transmission Owner-owned substation that may affect the Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information in accordance with Article 5.19 of this Agreement.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Party(ies) to: (i) verify the costs incurred by the disclosing Party for which the other

Party(ies) are responsible under this ETU IA; and (ii) carry out its obligations and responsibilities under this ETU IA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this ETU IA.

25.2 Reporting of Non-Force Majeure Events. Each Party (the "notifying Party") shall notify the other Party(ies) when the notifying Party becomes aware of its inability to comply with the provisions of this ETU IA 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 ETU IA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this ETU IA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party(ies), to audit at its own expense the other Party's(ies') accounts and records pertaining to a Party's performance or a Party's satisfaction of obligations under this ETU IA. Such audit rights shall include audits of the other Party's(ies') costs, calculation of invoiced amounts, the efforts to allocate responsibility for the provision of reactive support to the New England Transmission System, the efforts to allocate responsibility for interruption or reduction of generation on the New England Transmission System, and each Party's actions in an Emergency Condition. 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 each Party's performance and satisfaction of obligations under this ETU IA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

25.4 Audit Rights Periods.

25.4.1 Audit Rights Period for Construction-Related Accounts and Records. Accounts and records related to the design, engineering, procurement, and construction of Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades

shall be subject to audit for a period of twenty-four (24) months following Interconnecting Transmission Owner's issuance of a final invoice in accordance with Article 12.2.

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to a Party's performance or satisfaction of all obligations under this ETU IA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four (24) months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four (24) months after the event for which the audit is sought.

25.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party(ies) together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

26.1 General. Nothing in this ETU IA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this ETU IA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this ETU IA in providing such services and each Party shall remain primarily liable to the other Party(ies) for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this ETU IA. The hiring Party shall be fully responsible to the other Party(ies) 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 Interconnecting Transmission Owner be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under Article 5 of this ETU IA. Any applicable obligation imposed by this ETU IA upon the hiring

Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance. The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

27.1 Submission. In the event a Party has a dispute, or asserts a claim, that arises out of or in connection with this ETU IA or its performance, such Party (the "disputing Party") shall provide the other Party(ies) with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim 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(ies). In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's(ies') receipt of the Notice of Dispute, such claim or 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 claim or 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 ETU IA.

27.2 External Arbitration Procedures. Any arbitration initiated under this ETU IA 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 arbitrator so chosen by the System Operator shall chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable Commission

regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail

27.3 Arbitration Decisions. Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefore. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this ETU IA 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 the Commission if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

27.4 Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) a pro rata share of the cost of a single arbitrator chosen by the Parties.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

28.1 General. Each Party makes the following representations, warranties and covenants:

28.1.1 Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Elective Transmission Upgrade, Interconnection Facilities and Network 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 ETU IA 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 ETU IA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this ETU IA, to become a Party hereto and to perform its obligations hereunder. This ETU IA is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

28.1.3 No Conflict. The execution, delivery and performance of this ETU IA does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this ETU IA 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 ETU IA, and it will provide to any Governmental Authority notice of any actions under this ETU IA that are required by Applicable Laws and Regulations.

ARTICLE 29. [OMITTED]

ARTICLE 30. MISCELLANEOUS

30.1 Binding Effect. This ETU IA and the rights and obligations hereof shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

30.2 Conflicts. In the event of a conflict between the body of this ETU IA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this ETU IA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This ETU IA, 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 ETU IA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this ETU IA), 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 ETU IA or such Appendix of this ETU IA, or such Section of the ETU IP or such Appendix of the ETU IP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this ETU IA 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".

30.4 Entire Agreement. Except for the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, this ETU IA, 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 ETU IA. Except for the ISO New England Operating Documents, Applicable Reliability Standards, any applicable tariffs, related facilities agreements, or successor documents, there are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this ETU IA.

30.5 No Third Party Beneficiaries. This ETU IA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

30.6 Waiver. The failure of a Party to this ETU IA to insist, on any occasion, upon strict performance of any provision of this ETU IA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by a Party of its rights with respect to this ETU IA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this ETU IA. Termination or Default of this ETU IA for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Interconnecting Transmission Owner. Any waiver of this ETU IA shall, if requested, be provided in writing.

30.7 Headings. The descriptive headings of the various Articles of this ETU IA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this ETU IA.

30.8 Multiple Counterparts. This ETU IA may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

30.9 Amendment. The Parties may by mutual agreement amend this ETU IA by a written instrument duly executed by the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this ETU IA by a written instrument duly executed by all of the Parties. Such amendment shall become effective and a part of this ETU IA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights. Consistent with Section 11.3 of the ETU IP, Interconnecting Transmission Owner and System Operator shall have the right to make unilateral filings with the Commission to modify this ETU IA 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 the Commission's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with the Commission to modify this ETU IA pursuant to section 206 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Parties and to participate fully in any proceeding before the Commission in which such modifications may be considered. In the event of disagreement on terms and conditions of the ETU IA related to the costs of upgrades to such Interconnecting Transmission Owner's transmission facilities, the anticipated schedule for the construction of such upgrades, any financial obligations of Interconnecting Transmission Owner, and any provisions related to physical impacts of the interconnection on Interconnecting Transmission Owner's transmission facilities or other assets, then the standard applicable under Section 205 of the Federal Power Act shall apply only to Interconnecting Transmission Owner's position on such terms and conditions. Nothing in this ETU IA shall limit the rights of the Parties or of the Commission under sections 205 or 206 of the Federal Power Act and the Commission's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

30.12 No Partnership. This ETU IA 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. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Parties.

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

ISO New England Inc. (System Operator)

By:_____

Title:_____

Date:_____

[*Insert Name of* (Interconnecting Transmission Owner(s))

By:_____

Title:_____

Date:_____

[*Insert name of*] (Interconnection Customer)

By:_____

Title:_____

Date:_____

APPENDICES TO ETU IA

Appendix A	Interconnection Facilities, Network Upgrades and Distribution Upgrades
Appendix B	Milestones
Appendix C	Interconnection Details
Appendix D	Security Arrangements Details
Appendix E	Commercial Operation Date
Appendix F	Addresses for Delivery of Notices and Billings

APPENDIX A TO ETU IA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:

a. **Point(s) of Interconnection**

List and identify each Point of Interconnection (*e.g.*, first, second, etc.)

The Point of Interconnection for the first terminal location shall be at the point where [*insert description of the first location internal to New England Control Area*]. See Appendix A-1, which drawing is attached hereto and made part hereof.

The Point of Interconnection for the second terminal location shall be at the point where [*insert description of the second location internal to New England Control Area or the location external to New England Control Area, if applicable*]. See Appendix A-2, which drawing is attached hereto and made part hereof.

b. **Point(s) of Change of Ownership**

List and identify the Point of Change of Ownership for each Point of Interconnection (*e.g.*, first, second, etc.)

The Point of Change of Ownership for the first terminal location shall be at the point where [*insert description of the first location internal to New England Control Area*]. See Appendix A-1, which drawing is attached hereto and made part hereof.

The Point of Change of Ownership for the second terminal location shall be at the point where [*insert description of the second location internal to New England Control Area or the location external to New England Control Area, if applicable*]. See Appendix A-2, which drawing is attached hereto and made part hereof.

c. Metering

List and identify the metering point for each Point of Interconnection (*e.g.*, first, second, etc.)

The metering point for the first terminal location shall be located at: [*insert description of the first location internal to New England Control Area*]. See Appendix A-1, which drawing is attached hereto and made part hereof.

The metering point for the second terminal location shall be located at: [*insert description of the second location internal to New England Control Area or the location external to New England Control Area, if applicable*]. See Appendix A-2, which drawing is attached hereto and made part hereof.

d. **Interconnection Customer's Interconnection Facilities (including metering equipment)**.

List and identify the Interconnection Customer's Interconnection Facilities for each Point of Interconnection (*e.g.*, first, second, etc.)

The Interconnection Customer's Interconnection Facilities for the first terminal location shall include [*insert Interconnection Customer's Interconnection Facilities*]. See Appendix A-1, which drawing is attached hereto and made part hereof.

The Interconnection Customer's Interconnection Facilities for the second terminal location shall include [*insert Interconnection Customer's Interconnection Facilities for the second terminal location, if applicable*]. See Appendix A-2, which drawing is attached hereto and made part hereof.

e. **Interconnecting Transmission Owner's Interconnection Facilities (including metering equipment)**.

List and identify the Interconnecting Transmission Owner's Interconnection Facilities for each Point of Interconnection (*e.g.*, first, second, etc.)

The Interconnecting Transmission Owner's Interconnection Facilities for the first terminal location shall include [*insert Interconnecting Transmission Owner's Interconnection Facilities, including any Cluster Enabling Transmission Upgrades,* for the first terminal location]. See Appendix –1, which drawing is attached hereto and made part hereof.

The Interconnecting Transmission Owner's Interconnection Facilities for the second terminal location shall include [*insert Interconnecting Transmission Owner's Interconnection Facilities for the second terminal location, if applicable*]. See Appendix –2, which drawing is attached hereto and made part hereof.

2. Network Upgrades:

a. **Stand Alone Network Upgrades**. [*insert Stand Alone Network Upgrades associated with the first terminal location*]

b. **Substation Network Upgrades**. [*insert Substation Network Upgrades associated with the first terminal location*]

c. **System Network Upgrades**. [*insert System Network Upgrades, including any Cluster Enabling Transmission Upgrades, associated with the first terminal location*]

d. **Stand Alone Network Upgrades**. [*insert Stand Alone Network Upgrades associated with the second terminal position if applicable and it is internal to the New England Control Area, list all Network Upgrades for terminal locations external to New England Control Area as Affected System Upgrades*]

e. **Substation Network Upgrades**. [*insert Substation Network Upgrades associated with the second terminal position if applicable and it is internal to New England Control Area, list all Network Upgrades for terminal locations external to New England Control Area as Affected System Upgrades*]

f. **System Network Upgrades**. [*insert System Network Upgrades associated with the second terminal location, if applicable*]

3. Distribution Upgrades.

a. [*insert Distribution Upgrades associated with the first terminal position*]

b. [*insert Distribution Upgrades associated with the second terminal position if applicable and it is internal to New England Control Area, list all Distribution Upgrades for terminal locations external to New England Control Area as Affected System Upgrades*]

4. Affected System Upgrades.

a. [*insert Affected System Upgrades associated with the first terminal position*]

b. [*insert Affected System Upgrades associated with the second terminal position, if applicable*]

5. Internal Affected System Upgrades.

a. [*insert Internal Affected System Upgrades associated with the first terminal position*]

[*insert Internal Affected System Upgrades associated with the second terminal position, if applicable*]

6. Contingent Facility Upgrades.

[*e.g., list of upgrades associated with higher queued Interconnection Requests and any other contingency upgrades that the Parties may deem necessary for the interconnection of the Elective Transmission Upgrade*]

7. Post-Forward Capacity Auction Re-study Upgrade Obligations. *[insert any change in upgrade obligations that result from re-study conducted post receiving a Capacity Supply Obligation through a Forward Capacity Auction*]

APPENDIX B TO ETU IA

Milestones

1. **Selected Option Pursuant to Article 5.1:** Interconnection Customer selects the [*insert*]. Options as described in Articles 5.1.[*insert*], 5.1.[*insert*], and 5.1.[*insert*] shall not apply to this ETU IA.

2. **Milestones and Other Requirements for all Elective Transmission Upgrades:** The description and entries listed in the following table establish the required Milestones in accordance with the provisions of the ETU IP and this ETU IA. The referenced section of the ETU IP or article of the ETU IA should be reviewed by each Party to understand the requirements of each milestone.

Item No.	Milestone Description	Responsible Party	Date	ETU IP/ETU IA Reference
1	Provide evidence of 100% Site Control to System Operator	Interconnection Customer	Within 15 BD of final ETU IA receipt	§ 11.3.1.1 of ETU IP
2	Provide evidence of one or more milestones specified in § 11.3 of ETU IP to the System Operator and to the Interconnecting Transmission Owner	Interconnection Customer	Within 15 BD of final ETU IA receipt	§ 11.3.1.2 of ETU IP
3	Commit to a schedule for payment of upgrades to the Interconnecting Transmission Owner	Interconnection Customer	Within 15 BD of final ETU IA receipt	§ 11.3.1.2 of ETU IP
4	ETU IA Deposit	Interconnection Customer	Simultaneously with ETU IA	§ 11.3.1.1 of ETU IP

			Execution, or within ten (10) Business Days after the Interconnection Customer request that the ETU IA be filed unexecuted	
5	Provide certificate of insurance to each Party	Interconnection Customer and Interconnecting Transmission Owner	Within 10 Calendar Days of execution of ETU IA	§ 18.3.9 of ETU IA
6A	Provide siting process approval schedule for the Elective Transmission Upgrade to System Operator and Interconnecting Transmission Owner	Interconnection Customer	As may be agreed to by the Parties	§ 7.5 of ETU IP
6B	Provide siting process approval schedule for Interconnection Customer's Interconnection Facilities at the first terminal location to System Operator and Interconnecting Transmission Owner	Interconnection Customer	As may be agreed to by the Parties	§ 7.5 of ETU IP

6C	Provide siting process approval schedule for Interconnection Customer's Interconnection Facilities at the second terminal location to System Operator and Interconnecting Transmission Owner	Interconnection Customer	If applicable, as may be agreed to by the Parties	§ 7.5 of ETU IP
7A	Receive Governmental Authority approvals for the Elective Transmission Upgrade facilities requiring regulatory approval	Interconnection Customer	If needed, as may be agreed to by the Parties	
7B	Receive Governmental Authority approvals for any facilities associated with the first terminal location requiring regulatory approval	Interconnection Customer and/or Interconnecting Transmission Owner	If needed, as may be agreed to by the Parties	§ 5.6.1 of ETU IA
7C	Receive Governmental Authority approvals for any facilities associated with the second terminal location requiring regulatory approval	Interconnection Customer and/or Interconnecting Transmission Owner	If needed and applicable, as may be agreed to by the Parties	§ 5.6.1 of ETU IA

8A	Obtain necessary real property rights and rights-of-way associated with the first terminal location for the construction of a discrete aspect of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades	Interconnection Customer and/or Interconnecting Transmission Owner	If needed, as may be agreed to by the Parties	§ 5.6.2 of ETU IA
8B	Obtain necessary real property rights and rights-of-way associated with the second terminal location for the construction of a discrete aspect of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades	Interconnection Customer and/or Interconnecting Transmission Owner	If needed and applicable, as may be agreed to by the Parties	§ 5.6.2 of ETU IA
9A	Provide to Interconnecting Transmission Owner associated with the first terminal position written authorization to proceed with design,	Interconnection Customer	As may be agreed to by the Parties	§ 5.6.3 of ETU IA

	equipment procurement and construction			
9B	Provide to owner associated with the second terminal position written authorization to proceed with design, equipment procurement and construction	Interconnection Customer	If applicable, as may be agreed to by the Parties	§ 5.6.3 of ETU IA
10	Provide quarterly written progress reports	Interconnection Customer and Interconnecting Transmission Owner	15 Calendar Days after the end of each quarter beginning the quarter that includes earlier of the dates for Milestones 9A or 9B and ending when the entire Elective Transmission Upgrade and all required Interconnection Facilities and Network Upgrades are in place	§ 5.7 of ETU IA

11A	Provision of Security associated with the first terminal position to the Interconnecting Transmission Owner pursuant to Section 11.5 of ETU IA	Interconnection Customer	At least 30 Calendar Days prior to design, procurement and construction	§§ 5.5.3 and 5.6.4 of ETU IA
11B	Provision of Security associated with the second terminal position, if it is internal to ISO-NE, to the Interconnecting Transmission Owner pursuant to Section 11.5 of ETU IA	Interconnection Customer	If applicable, at least 30 Calendar Days prior to design, procurement and construction	§§ 5.5.3 and 5.6.4 of ETU IA
12A	Provision of Security Associated with Tax Liability associated with the first terminal position to Interconnecting Transmission Owner pursuant to Section 5.17.3 of ETU IA	Interconnection Customer	As may be agreed to by the Parties	§ 5.17.3 of ETU IA
12B	Provision of Security Associated with Tax Liability associated with the second terminal position, if it is internal to ISO-NE, to Interconnecting	Interconnection Customer	If applicable, as may be agreed to by the Parties	§ 5.17.3 of ETU IA

	Transmission Owner pursuant to Section 5.17.3 of ETU IA			
13A	Commit to the ordering of long lead time material for Interconnection Facilities and Network Upgrades associated with the first terminal position	Interconnection Customer	As may be agreed to by the Parties	§ 7.5 of ETU IP
13B	Commit to the ordering of long lead time material for Interconnection Facilities and Network Upgrades associated with the second terminal position, if it is internal to ISO-NE	Interconnection Customer	If applicable, as may be agreed to by the Parties	§ 7.5 of ETU IP
14A	Provide initial design, engineering and specification for the Elective Transmission Upgrade	Interconnection Customer	180 Calendar Days prior to Trial Operation Date	§ 5.10.1 of ETU IA § 7.5 of ETU IP
14B	Provide initial design, engineering and specification for Interconnection Customer's Interconnection Facilities associated	Interconnection Customer	180 Calendar Days prior to Trial Operation Date	§ 5.10.1 of ETU IA § 7.5 of ETU IP

	with the first terminal position to the Interconnecting Transmission Owner			
14C	Provide initial design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the second terminal position, if it is internal to ISO-NE, to the Interconnecting Transmission Owner	Interconnection Customer	If applicable, 180 Calendar Days prior to Trial Operation Date	§ 5.10.1 of ETU IA § 7.5 of ETU IP
15A	Provide comments on initial design, engineering and specification for the Elective Transmission Upgrade	Interconnecting Transmission Owner	Within 30 Calendar Days of receipt	§ 5.10.1 of ETU IA § 7.5 of ETU IP
15B	Provide comments on initial design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the first terminal position	Interconnecting Transmission Owner	Within 30 Calendar Days of receipt	§ 5.10.1 of ETU IA § 7.5 of ETU IP

15C	Provide comments on initial design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the second terminal position, if it is internal to ISO-NE	Interconnecting Transmission Owner	If applicable, within 30 Calendar Days of receipt	§ 5.10.1 of ETU IA § 7.5 of ETU IP
16A	Provide final design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the first terminal position to Interconnecting Transmission Owner(s)	Interconnection Customer	90 Calendar Days prior to Trial Operation Date	§ 5.10.1 of ETU IA § 7.5 of ETU IP
16B	Provide final design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the second terminal position, if it	Interconnection Customer	If applicable, 90 Calendar Days prior to Trial Operation Date	§ 5.10.1 of ETU IA § 7.5 of ETU IP

	is internal to ISO-NE, to the Interconnecting Transmission Owner			
17A	Provide comments on final design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the first terminal position	Interconnecting Transmission Owner	Within 30 Calendar Days of receipt	§ 5.10.1 of ETU IA § 7.5 of ETU IP
17B	Provide comments on final design, engineering and specification for Interconnection Customer's Interconnection Facilities associated with the second terminal position, if it is internal to ISO-NE	Interconnecting Transmission Owner	If applicable, within 30 Calendar Days of receipt	§ 5.10.1 of ETU IA § 7.5 of ETU IP
18A	Deliver to Transmission Owner "as built" drawings, information and documents regarding Interconnection Customer's Interconnection	Interconnection Customer	Within 120 Calendar Days of Commercial Operation date	§ 5.10.3 of ETU IA

	Facilities associated with the first terminal position			
18B	Deliver to Transmission Owner "as built" drawings, information and documents regarding Interconnection Customer's Interconnection Facilities associated with the second terminal position, if it is internal to ISO-NE	Interconnection Customer	If applicable, within 120 Calendar Days of Commercial Operation date	§ 5.10.3 of ETU IA
19A	Provide protective relay settings associated with the first terminal position to the Interconnecting Transmission Owner for coordination and verification	Interconnection Customer	At least 90 Calendar Days prior to Trial Operation Date	§§ 5.10.1 of ETU IA
19B	Provide protective relay settings associated with the second terminal position, if it is internal to ISO-NE, to the Interconnecting Transmission Owner	Interconnection Customer	If applicable, at least 90 Calendar Days prior to Trial Operation Date	§§ 5.10.1 of ETU IA

	for coordination and verification			
20A	Commencement of construction of Interconnection Facilities associated with the first terminal position	Interconnecting Transmission Owner(s)	As may be agreed to by the Parties	§ 5.6 of ETU IA
20B	Commencement of construction of Interconnection Facilities associated with the second terminal position, if it is internal to ISO-NE	Interconnecting Transmission Owner(s)	If applicable, as may be agreed to by the Parties	§ 5.6 of ETU IA
21	Submit updated data "as purchased"	Interconnection Customer	No later than 180 Calendar Days prior to Trial Operation Date	§ 24.3 of ETU IA
22A	In Service Date of first terminal position	Interconnection Customer	Same as Interconnection Request unless subsequently modified	§ 3.3.1 and 4.4.5 of ETU IP, § 5.1 of ETU IA
22B	In Service Date of second terminal position	Interconnection Customer	If applicable, same as Interconnection Request unless subsequently modified	§ 3.3.1 and 4.4.5 of ETU IP, § 5.1 of ETU IA

23	Trial Operation Date	Interconnection Customer	Same as Interconnection Request unless subsequently modified	§ 3.3.1, 4.4.4, 4.4.5, and 7.5 of ETU IP
24A	Submit supplemental and/or updated data – "as built/as-tested" associated with first terminal position	Interconnection Customer	Prior to Commercial Operation Date	§ 24.4 of ETU IA
24B	Submit supplemental and/or updated data – "as built/as-tested" associated with second terminal position	Interconnection Customer	If applicable, prior to Commercial Operation Date	§ 24.4 of ETU IA
25	Commercial Operation Date	Interconnection Customer	Same as Interconnection Request unless subsequently modified	§ 3.3.1, 4.4.4, 4.4.5, and 7.5 of ETU IP
26A	Deliver to Interconnection Customer "as built" drawings, information and documents regarding Interconnecting Transmission Owner's Interconnection Facilities associated with first terminal position	Interconnecting Transmission Owner	If requested, within 120 Calendar Days after Commercial Operation Date	§ 5.11 of ETU IA

26B	Deliver to Interconnection Customer "as built" drawings, information and documents regarding Interconnecting Transmission Owner's Interconnection Facilities associated with the second terminal position	Interconnecting Transmission Owner	If requested and applicable, within 120 Calendar Days after Commercial Operation Date	§ 5.11 of ETU IA
27A	Provide Interconnection Customer final cost invoices associated with first terminal position	Interconnecting Transmission Owner	Within 6 months of completion of construction of Interconnecting Transmission Owner Interconnection Facilities and Network Upgrades	§ 12.2 of ETU IA
27B	Provide Interconnection Customer final cost invoices associated with the second terminal position, if it is internal to ISO-NE	Interconnecting Transmission Owner	If applicable, within 6 months of completion of construction of Interconnecting Transmission Owner Interconnection	§ 12.2 of ETU IA

			Facilities and Network Upgrades	
28	Interconnection Customer with qualifying Regulatory Limitations must demonstrate 100% Site Control by or the ETU IA may be terminated per Article 17 (Default) of this ETU IA and the Interconnection Customer may be subject to Withdrawal Penalties per Section 3.6.1.1 of the System Operator's ETU IP (Calculation of the Withdrawal Penalty).	Interconnection Customer	180 days from the effective date of this ETU IA	

3. **Milestones Applicable Solely for CNI Interconnection Service.** In addition to the Milestones above, for projects that achieve a Capacity Supply Obligation prior to September 4, 2025, the following Milestones apply to Interconnection Customers requesting CNI Interconnection Service:

Item No.	Milestone Description	Responsible Party	Date	ETU IP/ETU IA Reference

1	Counterparty to submit necessary requests for participation in the Forward Capacity Auction associated with the Elective Transmission Upgrade's requested Commercial Operation Date, in accordance with Section III.13 of the Tariff	Interconnection Customer		§ 3.2.1.3 of ETU IP
2	Participate in a CNR Group Study	Interconnection Customer		§ 3.2.1.3 of ETU IP
3	Counterparty to qualify and receive a Capacity Supply Obligation in accordance with Section III.13 of the Tariff	Interconnection Customer		§ 3.2.1.3 of ETU IP
4	Complete a re-study of the applicable Interconnection Study to determine the cost responsibility for facilities and upgrades necessary to accommodate the Interconnection Request based on the results of the Forward Capacity Auction or Reconfiguration Auction or bilateral transaction through which the Interconnection Customer's counterparty received a Capacity Supply Obligation	System Operator		§ 3.2.1.3 of ETU IP

APPENDIX C TO ETU IA

Interconnection Details

1. Description of Interconnection:

This Interconnection Agreement is for an **(***insert either Internal ETU or External ETU description from Article 1 of Appendix I)*

The ETU consists of **(***insert description from Article 2 of Appendix I)*:

The External Elective Transmission Upgrade that is controllable Merchant Transmission Facility or Other Transmission Facility shall receive **(***enter N/A for other ETUs)*:

Network Import Interconnection Service solely for the NI Capability of [*insert amount*] MWs.

Capacity Network Import Interconnection Service for: (i) the NI Capability of [*insert amount*] MWs; and (ii) the CNI Capability of [*insert amount*] MWs.

2. Detailed Description of the Elective Transmission Upgrade:

[*Insert any other description relating to the Elective Transmission Upgrade, including updates to all the technical data included on Attachment A to Appendix 1*.]

3. Other Description of Interconnection Plan and Facilities associated with the Elective Transmission Upgrade:

4. Other Description of Interconnection Plan and Facilities associated with the first interconnection location:

5. Other Description of Interconnection Plan and Facilities associated with the second interconnection location (if, applicable):

APPENDIX D TO ETU IA

Security Arrangements Details

Infrastructure security of the New England Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day New England Transmission System reliability and operational security. The Commission will expect System Operator, Interconnecting Transmission Owners, market participants, and Interconnection Customers interconnected to the New England Transmission System to comply with the recommendations offered by the Critical Infrastructure Protection Committee and, eventually, best practice recommendations from Electric Reliability Organization. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

APPENDIX E TO ETU IA

Commercial Operation Date

This Appendix E is a part of the ETU IA between System Operator Interconnecting, Transmission Owner and Interconnection Customer.

[*Date*]

[*Interconnecting Transmission Owner; Address*]
[to be supplied]

Transmission Services
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

Re: _____ Elective Transmission Upgrade

Dear _____:

On [Date] [Interconnection Customer] has completed Trial Operation of [Elective Transmission Upgrade]. This letter confirms that [Interconnection Customer] commenced commercial operation of [Elective Transmission Upgrade], effective as of [Date plus one day].

Thank you.

[*Signature*]
[*Interconnection Customer Representative*]

APPENDIX F TO ETU IA

Addresses for Delivery of Notices and Billings Notices:

System Operator:

Transmission Services
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

With copy to:
Billing Department
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

Interconnecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[*To be supplied*.]

Billings and Payments:

System Operator:

Transmission Services
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

With copy to:

Billing Department
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

Interconnecting Transmission Owner:

[*To be supplied*.]

Interconnection Customer:

[*To be supplied*.]

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

System Operator:
Facsimile: (413) 540-4203
E-mail: geninterconn@iso-ne.com

With copy to:
Facsimile: (413) 535-4024
E-mail: billingdept@iso-ne.com

Interconnecting Transmission Owner:
[*To be supplied*.]

Interconnection Customer:
[*To be supplied*.]

DUNS Numbers:

Interconnection Customer: [To be supplied]

Interconnecting Transmission Owner: [To be supplied]