

INTERCONNECTION AGREEMENT (AGREEMENT)

THIS INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 20__, by and between _____, a _____ (“Customer” with a Generating Facility), and THE COOPERATIVE (“System Owner”),. Interconnection Customer and System Owner each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Customer intends to own, lease and/or control and operate the Generating Facility identified as a Generating Facility in this Agreement; and

WHEREAS, System Owner owns or operates the Distribution System, to which Customer desires to connect the Generating Facility, and may therefore be required to construct certain Facilities and Upgrades, as set forth in this Agreement; and

WHEREAS, Interconnection Customer and System Owner have agreed to enter into this AGREEMENT for the purpose of interconnecting the Generating Facility with the Distribution System;

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

ARTICLE 1. DEFINITIONS

When used in this 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. Those capitalized terms used in this AGREEMENT that are not otherwise defined in this AGREEMENT have the meaning set forth in the Tariff.

Adverse System Impact shall mean the negative effects due to technical or operational limits on conductors or equipment being exceeded that may compromise the safety and reliability of the electric system.

Affected System shall mean an electric transmission or distribution system or the electric system associated with an Existing Generating Facility or of a higher queued Generating Facility, which is an electric system other than the System Owner's Distribution System that is affected by the Interconnection Request.

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

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.

Ancillary Services shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Distribution System in accordance with Good Utility Practice.

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority having jurisdiction over the Parties, their respective facilities and/or the respective services they provide.

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

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

Business Day shall mean Monday through Friday, excluding Federal Holidays.

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

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

Commercial Operation Date (COD) of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to this AGREEMENT.

Confidential Information shall mean any proprietary or commercially or competitively sensitive information, trade secret or information regarding a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, or any other information as specified in Article 22, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise, that is received by another Party.

Customer shall mean any entity that proposes to interconnect its Generating Facility with the System.

Customer's Interconnection Facilities (CIF) shall mean all facilities and equipment that are located between the Generating Facility 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 Generating Facility to the Distribution System,.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of this AGREEMENT.

Definitive Planning Phase Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, in the Definitive Planning Phase. The Definitive Planning Phase Queue Position is established based upon the date Interconnection Customer satisfies all of the requirements of Section 7.2 to enter the Definitive Planning Phase.

Demonstrated Capability shall mean the continuous net real power output that the Generating Facility is required to demonstrate in compliance with Applicable Reliability Standards.

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

Distribution System shall mean the System Owner's facilities and equipment, or the Distribution System of another party that is interconnected with the System Owner's System, if any, over which facilities the Customer has requested interconnection of a Generating Facility,

Distribution Upgrades shall mean the additions, modifications, and upgrades to the Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the delivery service necessary to affect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

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

Emergency Condition shall mean a condition or situation: (1) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life, property, or public health and safety; or (2) that, in the case of either System Owner, is imminently likely (as determined in a nondiscriminatory manner) to cause a material adverse effect on the security of, or damage to the Distribution System, System Owner's Interconnection Facilities or the electric systems of others to which the System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or the Customer's Interconnection Facilities. System

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes SystemOwner 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.

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 an act of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean the Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Customer's Interconnection Facilities. A Generating Facility consists of one or more generating unit(s) and/or storage device(s) which usually can operate independently and be brought online or taken offline individually.

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

Generating Facility Modification shall mean modification to an Existing Generating Facility, including comparable replacement of only a portion of its equipment at the Existing Generating Facility.

Interconnection Agreement (AGREEMENT) shall mean this form of interconnection agreement.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over 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 Customer, System Owner, or any Affiliate thereof.

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

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially synchronized.

In-Service Date (ISD) shall mean the date upon which the Customer reasonably expects it will be ready to begin use of the System Owner’s Interconnection Facilities.

Interconnection Facilities shall mean the System Owner’s Interconnection Facilities and the Interconnection Customer’s Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Distribution System. Interconnection Facilities shall not include Distribution Upgrades, Generator Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by System Owner for the Customer to determine a list of facilities as identified in the System Impact Study, the cost of those facilities, and the time required to interconnect the Generating Facility with the System.

Interconnection Request shall mean the Customer’s written request, in the form of the Interconnection Procedures, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an Existing Generating Facility that is interconnected with the Owner’s System.

Interconnection Study (or Study) shall mean any of the studies described in the Interconnection Procedures.

Interconnection Study Agreement shall mean the form of agreement of the Interconnection procedures for conducting all studies required.

Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Owner's System, Affected System, or transmission System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, or to study potential impacts,

Loss shall mean 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 performance, or non-performance of its obligations under this AGREEMENT on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing, by the indemnified party.

Material Modification shall mean: (1) modification to an Interconnection Request in the queue, that has a material adverse impact on the cost or timing of any other Interconnection Request with a later queue priority date; or (2) planned modification to an Existing Generating Facility, that is undergoing evaluation for a Generating Facility Modification or Generating Facility Replacement, and has a material adverse impact on the Owner's System.

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

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with this AGREEMENT or its performance. **Operating Horizon Study** shall mean an Interconnection System Impact Study that includes in service transmission and generation for an identified timeframe to determine either the available injection capacity of an Interconnection Request or Interconnection Facilities and/or Distribution System changes required for the requested Interconnection Service.

Point of Change of Ownership (PCO) shall mean the point, as set forth in Appendix A to the Generator Interconnection Agreement, where the Customer's Interconnection Facilities connect to the System Owner's Interconnection Facilities.

Point of Interconnection (POI) shall mean the point, as set forth in Appendix A of the AGREEMENT, where the Interconnection Facilities connect to the DistributionSystem.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date. This AGREEMENT shall become effective upon execution by the Parties.

2.2 Term of Agreement. Subject to the provisions of Article 2.3, this AGREEMENT shall remain in effect for a period of years from the Effective Date and shall be

automatically renewed for each successive one-year period thereafter on the anniversary of the Effective Date.

2.3 Termination Procedures. This AGREEMENT may be terminated as follows:

2.3.1 Written Notice. This AGREEMENT may be terminated by Interconnection Customer after giving System Owner ninety (90) Calendar Days advance written notice. This AGREEMENT shall terminate if the Generating Facility fails to achieve Commercial Operation by the Commercial Operation Date, or has ceased Commercial Operation for three (3) consecutive years, beginning with the last date of Commercial Operation for the Generating Facility

2.3.2 Default. Any Party may terminate this AGREEMENT in accordance with Article 17.

2.4 Termination Costs. If a Party elects to terminate this AGREEMENT pursuant to Article 2.3 above, each Party shall pay all costs incurred for which that Party is responsible (including any cancellation costs relating to orders or contracts for Interconnection Facilities, applicable upgrades, and related equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, under this AGREEMENT. In the event that this AGREEMENT is terminated by the Customer, the Customer is responsible for all financial impact that is caused as a result of this termination. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination.

2.5 Disconnection. Upon termination of this AGREEMENT, the Parties will take all appropriate steps to disconnect the Generating Facility from the Distribution System, as applicable. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this AGREEMENT or such non-terminating Party otherwise is responsible for these costs under this AGREEMENT.

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

ARTICLE 3. REGULATORY FILINGS

3.1 [left blank intentionally]

ARTICLE 4. SCOPE OF SERVICE

4.1 [left blank intentionally]

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to between the Parties, the Customer shall select: 1) the In-Service Date, Initial Synchronization Date, and Commercial Operation Date based on a reasonable construction schedule that will allow sufficient time for design, construction, equipment procurement, and permit acquisition of Distribution or System equipment or right-of-way; and 2) either the Standard Option or Alternate Option set forth below and such dates and selected option. If the dates designated by the Customer are not acceptable to System Owner, the System Owner shall so notify the Customer within thirty (30) Calendar Days. Upon receipt of the notification that the Customer's designated dates are not acceptable to System Owner, the Customer shall notify System Owner within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option. System Owner shall design, procure, and construct the System Owner's Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades, and Generator Upgrades using Reasonable Efforts to complete the Interconnection Facilities, Network Upgrades, System Protection Facilities, Distribution Upgrades and Generator Upgrades by the dates set forth in this AGREEMENT Milestones, subject to the receipt of all approvals required from Governmental Authorities and the receipt of all land rights necessary to commence construction of such facilities, and such other permits or authorizations as may be required. System 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, Applicable Laws and Regulations and Good Utility Practice. In the event System Owner reasonably expects that it will not be able to complete the System Owner's Interconnection Facilities, Network Upgrades, System

Protection Facilities, Distribution Upgrades and Generator Upgrades by the specified dates, System Owner shall promptly provide written notice to the Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option. If the dates designated by the Customer are acceptable to System Owner, they shall so notify the Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the System Owner's Interconnection Facilities by the designated dates.

5.1.4 Negotiated Option. If the dates designated by the Customer pursuant to Article 5.1 are not acceptable, the Parties shall in good faith attempt to negotiate terms and conditions Interconnection Facilities and Stand Alone Network Upgrades.

5.10 Customer's Interconnection Facilities. The Customer shall, at its expense, design, procure, construct, own and install the CIF.

5.10.1 Customer's Interconnection Facility Specifications. The Customer shall submit initial design and specifications for the CIF, including the Customer's System Protection Facilities, to System Owner at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. System Owner shall review such specifications to ensure that the CIF are compatible with their respective technical specifications, operational control, and safety requirements and comment on such design and specifications within thirty (30) Calendar Days of the Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.3 CIF Construction. The CIF 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 Customer shall deliver "as-built" drawings, information and documents for the CIF, such as: a one-line diagram, a site plan showing the Generating Facility and the CIF, plan and elevation drawings showing the layout of the CIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Customer's step-up transformers, the facilities connecting the Generating Facility to the step-up transformers and the CIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Generating Facility.

5.11 System Owner's Interconnection Facilities Construction. The System Owner's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice.

5.12 Access Rights. Upon reasonable notice by a Party, and subject to any required or necessary regulatory approvals, a Party (“Granting Party”) shall furnish *at no cost* to the other 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), or any Affiliate, that are necessary to enable the Access Party 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 Generating Facility; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the System; and (iii) disconnect or remove the Access Party’s facilities and equipment upon termination of this AGREEMENT. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party’s business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of the System Owner’s Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades is to be installed on property owned by persons other than the Customer or System Owner, the Customer shall at the Customer’s expense 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 System Owner’s Interconnection Facilities, Network Upgrades and/or Distribution Upgrades upon such property.

5.14 Permits. All parties shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations.

5.16.2 Effect of Missed Customer Milestones. If the Customer fails fulfill or complete any Customer Milestone, this constitutes a Breach under this AGREEMENT. Depending upon the consequences of the Breach and effectiveness of the cure pursuant to Article 17, the System Owners’ Milestones may be revised, following consultation with the Customer, consistent with Reasonable Efforts, and in consideration of all relevant circumstances. Parties shall employ Reasonable Efforts to maintain their remaining respective Milestones.

5.19 Modification.

5.19.1 General. Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect another Party’s facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties 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.

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 AGREEMENT and Good Utility Practice.

5.19.3 Modification Costs. Unless caused by the Customer's modifications, the Customer shall not be directly assigned the costs of any additions, modifications, or replacements that System Owner makes to the Owner's Interconnection Facilities, Network Upgrades, Owner's System Protection Facilities, Distribution Upgrades, or Distribution System, as applicable, to facilitate the interconnection of a third party to the Interconnection Facilities or the Distribution System, as applicable, or to provide service to a third party. The Customer shall be responsible for the costs of any additions, modifications, or replacements to the Customer's Interconnection Facilities that may be necessary to maintain or upgrade such the 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, System Owner shall test the Owner's Interconnection Facilities, Network Upgrades, System Owner's System Protection Facilities and Distribution Upgrades, and the Customer shall test each electric production device at the Generating Facility, Customer's System Protection Facilities, including control equipment to limit injection at the POI to ensure their safe and reliable operation. Similar testing may be required after initial operation. The Parties shall make any modifications to their respective facilities that are found to be necessary as a result of such testing. The Customer shall bear the cost of all such testing and modifications.
- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Generating Facility with the or Distribution System, as applicable, in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the Interconnection Facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.
- 6.3 Right to Observe Testing.** Each Party shall notify the other Parties in advance of its performance of tests of its Interconnection Facilities. The other Parties shall each have 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 System Owner's and Customer's tests and/or inspection of any of their respective System Protection Facilities and other protective equipment, including power system stabilizers and control equipment; (ii) review the settings of the System Protection Facilities and other protective equipment; and (iii) review the maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other

protective equipment. A 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 deemed to be Confidential Information and treated pursuant to Article 22 of this AGREEMENT.

ARTICLE 7. METERING

- 7.1 General.** Unless otherwise agreed by the Parties, System Owner shall install Metering Equipment (the “Metering Party”) at the Point of Interconnection prior to any operation of the Generating Facility and System Owner shall own, operate, test and maintain such Metering Equipment.
- 7.2 Check Meters.** The 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 the Metering Equipment owned by the Metering Party. The installation, operation and maintenance thereof shall be performed entirely by Customer in accordance with Good Utility Practice.

ARTICLE 8. COMMUNICATIONS

- 8.1 Interconnection Customer Obligations.** The Customer shall maintain satisfactory operating communications with the other Parties.
- 8.2 Remote Terminal Unit (RTU).** Prior to the Initial Synchronization Date of the Generating Facility, a remote terminal unit, or equivalent data collection and transfer equipment acceptable to both Parties, shall be installed at the Customer’s expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by System Owner.
- 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.

ARTICLE 9. OPERATIONS

- 9.1 General.** Each Party shall provide to any Party all information that may reasonably be required by that Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 System Owner Obligations.** System Owner’s Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this AGREEMENT..

9.4 Customer Obligations. The Customer shall at its own expense operate, maintain and control the Generating Facility and the Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this AGREEMENT. The Generating Facility must be operated in accordance with the operating limits, if any, in the Interconnection Facilities Study.

9.5 Start-Up and Synchronization. Consistent with the Parties' mutually acceptable procedures, the Customer is responsible for the proper synchronization of the Generating Facility to the Distribution System, as applicable.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. The Customer and System Owner may each in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities, System Protection Facilities, Network Upgrades, System Protection Facilities or Distribution Upgrades that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to notify one another and schedule such removal on a date and time mutually acceptable to the Parties. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Parties of such removal.

9.7.1.2 Outage Schedules. The Customer shall submit its planned maintenance schedules for the Generating Facility to System Owner for a minimum of a rolling twenty-four (24) month period. The Customer shall update its planned maintenance schedules as necessary

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, System Owner may require the Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect System Owner's ability to perform such activities as are necessary to safely and reliably operate and maintain the System. The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. The Customer shall, at its expense, install, operate and maintain its System Protection Facilities as a part of the Generating Facility or the Customer's Interconnection Facilities. System Owner shall install at the Customer's expense any Owner's System Protection Facilities that may be required on the Owner's Interconnection Facilities or the Owner's transmission or distribution facilities as a result of the interconnection of the Generating Facility and the Customer's Interconnection Facilities.

9.7.4.2 Any System Protection Facilities shall be designed and coordinated with Affected Systems in accordance with Good Utility Practice.

9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.

ARTICLE 10. MAINTENANCE

10.1 System Owner Obligations. System Owner shall maintain the System Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this AGREEMENT and all Applicable Laws and Regulations.

10.2 Customer Obligations. The Customer shall maintain the Generating Facility and the Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this AGREEMENT and all Applicable Laws and Regulations.

10.3 Coordination. The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Generating Facility and the Interconnection Facilities.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Customer's Interconnection Facilities. The Customer shall design, procure, construct, install, own and/or control the Customer's Interconnection Facilities described in this AGREEMENT at its sole expense.

11.2 System Owner's Interconnection Facilities. The System Owner shall design, procure, construct, install, own and/or control the Owner's Interconnection Facilities described in this AGREEMENT at the sole expense of Interconnection Customer.

11.3 Network Upgrades, System Protection Facilities and Distribution Upgrades. System Owner shall design, procure, construct, install, and own the Network Upgrades' System Protection Facilities and Distribution Upgrades described in this AGREEMENT at the sole expense of Interconnection Customer.

ARTICLE 12.

[left blank intentionally]

ARTICLE 13. EMERGENCIES

13.1 Obligations. Each Party shall comply with the Emergency Condition procedures of the System Owner, and Applicable Laws and Regulations.

13.2 Notice. System Owner shall notify the other Parties promptly when it becomes aware of an Emergency Condition that affects the System Owner's Interconnection Facilities or the Distribution System, as applicable, that may reasonably be expected to affect the Customer's operation of the Generating Facility or the Customer's Interconnection Facilities.

Interconnection Customer shall notify System Owner, which includes by definition if applicable, the operator of a Distribution System, promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or the Customer's Interconnection Facilities that may reasonably be expected to affect the Distribution System, as applicable, or the System Owner's Interconnection Facilities.

13.3 Immediate Action. Unless, in a Party's reasonable judgment, immediate action is required, the Party exercising such judgment shall notify and obtain the consent of the other Parties, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or the Customer's Interconnection Facilities in response to an Emergency Condition declared by regarding the or Distribution System, as applicable.

13.4 Ssystem Owner Authority.

13.4.1 General. System Owner may take whatever actions or inactions with regard to the Distribution System or the System 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 Distribution System or the Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

13.6 Limited Liability. No Party shall be liable to any other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

13.7 Audit. In accordance with Article 25.3, any Party may audit the performance of another Party when that Party declared an Emergency Condition.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements. Each Party's obligations under this AGREEMENT shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek, and if necessary assist the other Party and use its Reasonable Efforts to obtain such other approvals.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this AGREEMENT and each of its provisions shall be governed by the laws of the state of Michigan.

14.2.2 This AGREEMENT is subject to all Applicable Laws and Regulations.

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

ARTICLE 15. NOTICES

15.1 General. Unless otherwise provided in this AGREEMENT, any notice, demand or request required or permitted to be given by any Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or

personally delivered to the Party, at the address set out in Appendix F, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this AGREEMENT by giving five (5) Business Days written notice prior to the effective date of the change.

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 and 5), 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 Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone, facsimile or email 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 Reasonable Efforts 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 Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in

this AGREEMENT or the result of an act or omission of another Party. Upon a Breach, the non-Breaching Party or Parties shall give written notice of such Breach to the Breaching Party with a copy to the other Party if one Party gives notice of such Breach. 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 Termination. 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 or Parties shall terminate this AGREEMENT, subject to Article 2.3.2 of this AGREEMENT, by written notice to the Breaching Party, with a copy to the other Party if one Party gives notice of termination, and be relieved of any further obligation hereunder and, whether or not that Party(ies) terminates this AGREEMENT, to recover from the Breaching Party all amounts due hereunder, plus all other damages and remedies to which it is (they are) entitled at law or in equity. The provisions of this Article will survive termination of this AGREEMENT.

ARTICLE 18. LIMITATION OF LIABILITY, INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Limitation of Liability. A Party shall not be liable to another Party or to any third party or other person for any damages arising out of actions under this AGREEMENT, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service, except as provided in a Tariff approved by a regulatory authority.

18.2 Indemnity. To the extent permitted by law, an Indemnifying Party shall at all times indemnify, defend and hold the other Parties harmless from Loss.

18.2.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Article 18 as a result of a claim by a non-Party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.2, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.2.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 18, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

18.2.3 Indemnity Procedures. Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.2 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

The Indemnified Party shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Party and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Party, or there exists a conflict or adversity of interest between the Indemnified Party and the Indemnifying Party, in such event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Party, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Party, which shall not be reasonably withheld, conditioned or delayed.

18.3 Consequential Damages. In no event shall either Party be liable under any provision of this AGREEMENT for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided; however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

ARTICLE 19. ASSIGNMENT

19.1 Assignment. This AGREEMENT may be assigned by any Party only with the written consent of the other Parties; such consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

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

ARTICLE 21. COMPARABILITY

21.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations including such laws, rules and regulations of Governmental Authorities establishing standards of conduct, as amended from time to time.

ARTICLE 22. CONFIDENTIALITY

22.1 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 by a Party to another 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 C.F.R. Section 388.113(c). Such confidentiality will be maintained in accordance with this Article 22.

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.

22.1.1 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 22 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 Commission policy and regulations.

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 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 22.1.7 of this AGREEMENT, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this AGREEMENT.

Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

22.1.3 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 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 AGREEMENT, 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 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.

22.1.5 No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to another Party 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 another Party under this AGREEMENT or its regulatory requirements.

22.1.7 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.

22.1.8 Termination of Agreement. Upon termination of this AGREEMENT for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from another 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, without retaining copies thereof, 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 22 shall survive such termination.

22.1.9 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 22. 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 22, 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 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.

ARTICLE 23. ENVIRONMENTAL RELEASES

23.1 Each Party shall notify the other Parties, 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 Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect another Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

24.1 Information Acquisition. System Owner and Customer 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 Owner The initial information submission by System Owner to the Customer, shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Distribution System information, as applicable and available, necessary to allow the Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Parties. On a quarterly basis, System Owner shall provide the Customer a status report on the construction and installation of System Owner's Interconnection Facilities, System Protection Facilities, Distribution Upgrades 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 Customer. The updated information submission by the Customer to System Owner, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Customer shall submit to System Owner a completed copy of the Generating Facility data requirements. It shall also include any additional information provided to System Owner for the Interconnection Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with standard models. If there is no

compatible model, the Customer will work with a consultant mutually agreed to by System Owner Customer to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to System Owner pursuant to the Interconnection Study Agreement, then System Owner will conduct appropriate studies to determine the impact on the Distribution System based on the actual data submitted pursuant to this Article 24.3. 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" Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist.

Subsequent to the Commercial Operation Date, the Customer shall provide System Owner any information changes due to equipment replacement, repair, or adjustment.

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 Parties to: (i) verify the costs incurred by the disclosing Party for which another Party is responsible under this AGREEMENT; and (ii) carry out its obligations and responsibilities under this AGREEMENT. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this AGREEMENT.

25.2 Reporting of Non-Force Majeure Events. A Party (the "notifying Party") shall notify the other Parties when the notifying Party becomes aware of its inability to comply with the provisions of this AGREEMENT for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information

provided under this Article shall not entitle any Party receiving such notification to allege a cause for anticipatory breach of this AGREEMENT.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this AGREEMENT, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Parties, to audit at its own expense the other Parties' accounts and records pertaining to the Parties' performance or the Parties' satisfaction of obligations under this AGREEMENT. Such audit rights shall include audits of the other Parties' costs, calculation of invoiced amounts, the System Owner's efforts to allocate responsibility for the provision of reactive support to the Distribution System, as applicable, the System Owner's efforts to allocate responsibility for interruption or reduction of generation, 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 AGREEMENT. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

ARTICLE 26. SUBCONTRACTORS

26.1 General. Nothing in this AGREEMENT shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this AGREEMENT; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this AGREEMENT in providing such services and each Party shall remain primarily liable to the other Parties for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this AGREEMENT. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall System Owner be liable for the actions or inactions of Customer or its subcontractors with respect to obligations of Customer under Article 5 of this AGREEMENT. Any applicable obligation imposed by this AGREEMENT upon the

hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

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 any Party has a dispute, or asserts a claim, that arises out of or in connection with this AGREEMENT or its performance, such Party (the "disputing Party") shall provide the other Parties 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 non-disputing Parties. 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 non-disputing Parties' receipt of the Notice of Dispute, such claim or dispute shall be submitted for resolution in accordance with the dispute resolution procedures of the Tariff.

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 Generating Facility, 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 AGREEMENT and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this AGREEMENT.

28.1.2 Authority. Such Party has the right, power and authority to enter into this AGREEMENT, to become a Party hereto and to perform its obligations

hereunder. This AGREEMENT is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

28.1.3 No Conflict. The execution, delivery and performance of this AGREEMENT does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this AGREEMENT will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this AGREEMENT, and it will provide to any Governmental Authority notice of any actions under this AGREEMENT that are required by Applicable Laws and Regulations.

ARTICLE 29. {RESERVED}

ARTICLE 30. MISCELLANEOUS

30.1 Binding Effect. This AGREEMENT and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

30.1.1 [intentionally left blank]

30.2 Conflicts. In the event of a conflict between the body of this AGREEMENT and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this AGREEMENT shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This AGREEMENT, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural

number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this AGREEMENT, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this AGREEMENT), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this AGREEMENT or such Appendix to this AGREEMENT, or such Section to the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this AGREEMENT as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including."

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

30.5 No Third Party Beneficiaries. This AGREEMENT is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

30.6 Waiver. The failure of a Party to this AGREEMENT to insist, on any occasion, upon strict performance of any provision of this AGREEMENT will not be

considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by any Party of its rights with respect to this AGREEMENT shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this AGREEMENT. Termination or Default of this AGREEMENT for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain Interconnection Service. Any waiver of this AGREEMENT shall, if requested, be provided in writing.

30.7 Headings. The descriptive headings of the various Articles of this AGREEMENT have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this AGREEMENT.

30.8 Multiple Counterparts. This AGREEMENT may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

30.9 Amendment. The Parties may by mutual agreement amend this AGREEMENT by a written instrument duly executed by all of the Parties.

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

30.11 No Partnership. This AGREEMENT shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among or 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 AGREEMENT in multiple originals; each of which shall constitute and be an original AGREEMENT among the Parties.

System Owner

[Insert name of Cooperative Owner]

By: _____

Name: _____

Title: _____

Interconnection Customer

[Insert name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Project No. _____

APPENDICES TO AGREEMENT

Appendix A Interconnection Facilities, Network Upgrades, System Protection
Facilities, Generator Upgrades and Distribution Upgrades

Appendix B Milestones

Appendix B-1 Pre-Certification Generation Test Notification Form

Appendix C Interconnection Details

Appendix D Security Arrangements Details

Appendix E Commercial Operation Date

Appendix F Addresses for Delivery of Notices and Billings