

Interconnection Feasibility Study Agreement

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and ISO New England Inc., a non-stock corporation existing under the laws of the State of Delaware ("System Operator"), and _____, a _____ 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 Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with the Administered Transmission System; and

WHEREAS, Interconnection Customer has requested the System Operator and Interconnecting Transmission Owner to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Small Generating Facility with the facilities that are part of the Interconnecting Transmission Owner's Administered Transmission System, and of any 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 or the meanings specified in the standard Small Generator Interconnection Procedures ("SGIP"), or in the other provisions of the ISO New England Inc. Transmission, Markets and Services Tariff (the "Tariff").

- 2.0 The Interconnection Customer elects and the System Operator and Interconnecting Transmission Owner shall cause to be performed an Interconnection Feasibility Study consistent the standard Small Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff.
- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The System Operator and Interconnecting Transmission Owner reserve the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with the standard Small Generator Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the Interconnection Feasibility Study may be extended by agreement of the Parties.
- 5.0 In performing the study, the System Operator and Interconnecting Transmission Owner shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the Interconnection Feasibility Study.
- 6.0 The Interconnection Feasibility Study report shall provide the following analyses depending on whether the Feasibility Study consisted of: (a) a power flow, including thermal analysis and voltage analysis, and short circulated analysis, or (b) limited thermal analysis, voltage analysis, short circuit analysis, stability analysis, and electromagnetic transient analysis, as appropriate, focusing on the issues that are expected to be the most significant for the interconnection of the Small Generating Facility as proposed given recent study experience and as discussed at the Scoping Meeting:
 - 6.1 Initial identification of any circuit breaker or other facility short circuit capability limits exceeded as a result of the interconnection, or, findings of the limited thermal analysis, voltage analysis, short circuit analysis, stability analysis, and electromagnetic transient analysis, as appropriate, focusing on the issues that are expected to be the most

significant for the proposed Small Generating Facility's interconnection given recent study experience and as discussed at the Scoping Meeting;

- 6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection, as appropriate, focusing on the issues that are expected to be the most significant for the proposed Small Generating Facility's interconnection given recent study experience and as discussed at the Scoping Meeting;
 - 6.3 Preliminary description of and a non-binding good faith order of magnitude estimated cost of (unless such cost estimate is waived by the Interconnection Customer) and the time to construct the Interconnection Facilities and Network Upgrades necessary to interconnect the Small Generating Facility as identified within the scope of the analysis performed as part of the study;
 - 6.4 If the Feasibility Study consisted of a power flow, including thermal analysis and voltage analysis, and short circuit analysis, initial review of grounding requirements and electric system protection;
 - 6.5 If the Feasibility Study consisted of a power flow, including thermal analysis and voltage analysis, and short circuit analysis, description and non-binding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues and length of time that would be necessary to construct the facilities; and
 - 6.6 To the extent the Interconnection Customer requested a preliminary analysis as described in Section 3.3.2 of the SGIP, the report will also provide a list of potential upgrades that may be necessary for the Interconnection Customer's Generating Facility to qualify for participation in a Forward Capacity Auction under Section III.13 of the Tariff.
- 7.0 The Interconnection Feasibility Study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.
 - 8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.

- 9.0 A deposit, paid to the System Operator, of the lesser of 50 percent of good faith estimated Interconnection Feasibility Study costs or earnest money of \$1,000 shall be required from the Interconnection Customer.
- 10.0 Once the Interconnection Feasibility Study is completed, an Interconnection Feasibility Study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the Interconnection Feasibility Study must be completed and the Interconnection Feasibility Study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct an Interconnection Feasibility Study.
- 11.0 The total estimated cost of the performance of the Interconnection Feasibility Study consists of \$ [insert], which is comprised of the System Operator's cost of \$[insert] and the Interconnecting Transmission Owner's cost of \$[insert]. The Interconnection Customer may be invoiced on a monthly basis for work to be conducted. 12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the System Operator shall refund such excess within 30 calendar days of the invoice without interest.
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- 13.0 Miscellaneous.
- 13.1 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.
- 13.2 Disclaimer of Warranty. In preparing and/or participating in the Interconnection Feasibility Study, as applicable, each Party and any subcontractor consultants employed by it shall have to rely on information provided by the Providing Party, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, beyond the commitment to use Reasonable Efforts in preparing and/or

participating in the Interconnection Feasibility Study (including, but not limited to, exercise of Good Utility Practice in verifying the accuracy of information provided for or used in the Interconnection Feasibility Study), as applicable, no Party nor any subcontractor consultant employed by it makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy of the information considered in conducting the Interconnection Feasibility Study, the content of the Interconnection Feasibility Study, or the conclusions of the Interconnection Feasibility Study. Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

13.3 Force Majeure, Liability and Indemnification.

13.3.1 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.

13.3.2 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 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.

- 13.3.3 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 (“TOA”) or other applicable operating agreements shall apply to the relationship between the System Operator and the Interconnecting Transmission Owner.

- 13.4 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. Notwithstanding the foregoing, and without limitation of Sections 13.2 and 13.3 of this Agreement, the Parties agree that subcontractor consultants hired by them to conduct, participate in, or review, or to assist in the conducting, participating in, or reviewing of, an Interconnection Feasibility Study shall not be deemed third party beneficiaries of Sections 13.2 and 13.3.
- 13.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 13.5, shall continue in effect for a term of one year or until the Interconnection Feasibility Study is completed. This Agreement shall automatically terminate upon the withdrawal of Interconnection Request under Section 1.8 of the SGIP. 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.
- 13.6 Governing Law, Regulatory Authority, and Rules. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

- 13.7 Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority: (1) such portion or provision shall be deemed separate and independent; (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling; and (3) the remainder of this Agreement shall remain in full force and effect.
- 13.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 13.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing and signed by the Parties hereto.
- 13.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 13.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 13.12 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. 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 an interconnection from the System Operator and the Interconnecting Transmission Owner. Any waiver of this Agreement shall, if requested, be provided in writing.
- 13.13 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.

- 13.14 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.
- 13.15 Subcontractors. 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.
- 13.15.1 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 the System Operator or 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 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.
- 13.15.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.
- 13.16 Reservation of Rights. Subject to the TOA, the System Operator and the Interconnecting Transmission Owner shall have the right to make a unilateral filing with the Commission 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 the Commission's rules and regulations

thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with the Commission to modify this Agreement under any applicable provision of the Federal Power Act and the Commission's rules and regulations; 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 the Commission in which such modifications may be considered. Nothing in this Agreement 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, except to the extent that the Parties otherwise agree as provided herein.

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 System Operator]

[Insert name of Interconnection Customer]

Signed _____

Name (Printed):

Title _____

Signed _____

Name (Printed):

Title _____

[Insert name of Interconnecting Transmission Owner]

Signed _____

Name (Printed):

Title _____

**Attachment A to
Interconnection Feasibility Study Agreement**

Assumptions Used in Conducting the Interconnection Feasibility Study

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the scoping meeting held on _____:

- 1) Designation of Point of Interconnection and configuration to be studied.

- 2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer, System Operator and Interconnecting Transmission Owner.