

**Merchant HVDC Transmission Connection Procedures (MHCP)**

**1. DEFINITIONS**

When used in these MHCP, terms with initial capitalization that are not defined in this Article 1 shall have the meanings specified in the Article in which they are used. Those capitalized terms used in these MHCP that are not otherwise defined in these MHCP have the meanings set forth elsewhere in the Tariff.

**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 MHVDC Transmission Line and/or Generating Facility, which is an electric system other than the Transmission Owner's Transmission System that is affected by the MHVDC Transmission Connection Request. An Affected System may or may not be subject to FERC jurisdiction.

**Common Use Upgrade** shall mean a Network Upgrade or any other classified addition, alteration, or improvement on the Transmission System or the transmission system of an Affected System, not classified under Attachment FF of the Tariff as a Baseline Reliability Project, Market Efficiency Project, or Multi-Value Project, that is needed for the interconnection of multiple MHVDC Connection Customers' and/or Interconnection Customers' facilities and which is the shared responsibility of such MHVDC Connection Customers and/or Interconnection Customers.

**Connection Facilities** shall mean the Transmission Owner's Connection Facilities and the MHVDC Connection Customer's Connection Facilities. Collectively, Connection Facilities include all facilities and equipment between the MHVDC Transmission Line and the Point of Connection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the MHVDC Transmission Line to the Transmission System. Connection Facilities shall not include Distribution Upgrades, Generator Upgrades, Stand Alone Network Upgrades or Network Upgrades as those terms are defined in the Tariff.

**Facilities Construction Agreement (FCA)** shall mean the form of facilities construction agreement, set forth in Appendix 8 to Attachment X of the Tariff. The FCA shall be used when an MHVDC Connection Customer causes the need for the construction of Network Upgrades on the transmission system of an Affected System.

**Generator Interconnection Procedures (GIP)** shall mean the interconnection procedures set forth in Attachment X of the Tariff.

**Injection Rights** shall mean the Transmission Provider's pre-certification of the Transmission System's capability to receive capacity and energy from the MHVDC Transmission Line at the requested Point of Connection, and in the specified MW quantity, without degrading the reliability of the Transmission System, as described in Section 3.2.3 of these MHCP and Attachment X of the Tariff.

**Injection Rights Study(ies)** shall mean a study or studies performed by Transmission Provider to evaluate an MHVDC Connection Customer's request for Injection Rights pursuant to Attachment X of the Tariff.

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

**Merchant HVDC Connection Customer (MHVDC Connection Customer)** shall mean any entity that proposes to interconnect an MHVDC Transmission Line with the Transmission System.

**Merchant HVDC Connection Customer's Connection Facilities (MHVDC Connection Customer's Connection Facilities)** shall mean all facilities and equipment, as identified in Appendix B of the Transmission Connection Agreement that are located between

the MHVDC Transmission Line 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 MHVDC Transmission Line to the Transmission System. MHVDC Connection Customer's Connection Facilities are sole use facilities.

**Merchant HVDC Connection Procedures (MHCP)** shall mean the connection procedures set forth in Attachment GGG to the Tariff.

**Merchant HVDC Connection Studies (MHVDC Connection Studies)** shall mean the MHVDC Facilities Study and all other studies required to be performed to interconnect the MHVDC Transmission Line with the Transmission System, as set forth in Sections 3.2.2 and 5 of the MHCP.

**Merchant HVDC Facilities Study (MHVDC Facilities Study)** shall mean a study conducted by Transmission Provider, or its agent, for MHVDC Connection Customer(s) to determine a list of facilities, the cost of those facilities, and the time required to interconnect the MHVDC Transmission Line with the Transmission System.

**Merchant HVDC Transmission Connection Agreement (Transmission Connection Agreement or TCA)** shall mean the form of the transmission connection agreement for merchant HVDC transmission facilities set forth in Appendix 2 to these MHCP.

**Merchant HVDC Transmission Connection Request (MHVDC Transmission Connection Request)** shall mean an MHVDC Connection Customer's request, in the form of Appendix 1 to the MHCP to interconnect a new MHVDC Transmission Line, increase the capacity of an existing MHVDC Transmission Line, or make a substantive modification to the operating characteristics of an existing MHVDC Transmission Line.

**Merchant HVDC Transmission Connection Service (MHVDC Transmission Connection Service)** shall mean the MHVDC Connection Customer's right to physically

interconnect an MHVDC Transmission Line to the Transmission System, with or without Injection Rights, as set forth in the MHCP.

**Merchant HVDC Transmission Line (MHVDC Transmission Line)** shall mean the merchant high-voltage direct current (HVDC) transmission line external to the Transmission System that is proposed for connection to the Transmission System. As used in the MHCP, the term “MHVDC Transmission Line” shall not include: (i) any existing or new facilities included in the Transmission System, (ii) any Interconnection Facilities as defined in Attachment X of the Tariff and included in a Generator Interconnection Agreement executed pursuant to Attachment X of the Tariff, and (iii) any transmission facilities that are included in the rate base of a public utility on which a regulated return is earned.

**Multi-Party Facilities Construction Agreement (MPFCA)** shall mean the form of facilities construction agreement, set forth in Appendix 9 to Attachment X of the Tariff. The MPFCA shall be used when multiple MHVDC Transmission Connection Requests and/or Interconnection Requests cause the need for the construction of Common Use Upgrades on the Transmission System or the transmission system of an Affected System and share cost responsibility for such Common Use Upgrades.

**Necessary Upgrades** shall mean the additions, modifications, and upgrades to the facilities owned by Transmission Owner required at or beyond the point at which the Connection Facilities connect to the Transmission System to accommodate the interconnection of the MHVDC Transmission Line to the Transmission System.

**Network Upgrades** shall mean the additions, modifications, and upgrades to the Transmission System required at or beyond the point at which the Connection Facilities connect to the Transmission System to accommodate the interconnection of the MHVDC Transmission Line to the Transmission System and to provide any Injection Rights.

**Party or Parties** shall mean Transmission Provider, Transmission Owner, MHVDC Connection Customer, or any combination of the above.

**Point of Change of Ownership** shall mean the point, as set forth in Appendix A to the Transmission Connection Agreement, where the MHVDC Connection Customer's Connection Facilities connect to the Transmission Owner's Connection Facilities.

**Point of Connection** shall mean the point, as set forth in Appendix A of the Transmission Connection Agreement, where the Connection Facilities connect to the Transmission System.

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

**Tariff** shall mean the Transmission Provider's Tariff through which open access transmission service and Interconnection Service are offered, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

**Transmission Owner** shall mean the Transmission Owner as defined in the Tariff, which includes an entity that owns, leases, or otherwise possesses an interest in the portion of the Transmission System at which MHVDC Connection Customer proposes to interconnect or otherwise integrate the operation of the MHVDC Transmission Line. Transmission Owner should be read to include any Independent Transmission Company that manages the transmission facilities of Transmission Owner and shall include, as applicable, the owner and/or operator of distribution facilities interconnected to the Transmission System, over which facilities transmission service or Wholesale Distribution Service under the Tariff is available at the time MHVDC Connection Customer requests MHVDC Transmission Connection Service and to which MHVDC Connection Customer has requested connection of an MHVDC Transmission

Line for the purpose of either transmitting electric energy in interstate commerce or selling electric energy at wholesale in interstate commerce.

**Transmission Owner's Connection Facilities** shall mean all facilities and equipment owned by Transmission Owner from the Point of Change of Ownership to the Point of Connection as identified in Appendix B to the Transmission Connection Agreement, including any modifications, additions or upgrades to such facilities and equipment necessary to physically and electrically interconnect the MHVDC Transmission Line to the Transmission System. Transmission Owner's Connection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades as those terms are defined in the Tariff.

**Transmission Provider** shall mean the Midcontinent Independent System Operator, Inc. ("MISO"), the Regional Transmission Organization that controls or operates the transmission facilities of its transmission-owning members used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff.

**Transmission System** shall mean the facilities owned by Transmission Owner and controlled or operated by Transmission Provider or Transmission Owner that are used to provide transmission service or Wholesale Distribution Service under the Tariff, as defined in Module A of the Tariff.

## **2. SCOPE AND APPLICATION**

### **2.1 Application to External Merchant HVDC Transmission Facilities**

These MHCP apply to the processing of an MHVDC Transmission Connection Request pertaining to the connection of an MHVDC Transmission Line to the Transmission System. These MHCP specifically apply when one of the following is proposed by an MHVDC Connection Customer: (i) connection of a new MHVDC Transmission Line at a new Point of Connection, (ii) additional capacity requested for an existing MHVDC Transmission Line at an

existing Point of Connection, or (iii) a substantive modification to the operating characteristics on an existing MHVDC Transmission Line. These MHCP shall not apply to: (i) any existing or new facilities included in the Transmission System, (ii) any Interconnection Facilities as defined in Attachment X of the Tariff and included in a Generator Interconnection Agreement executed pursuant to Attachment X of the Tariff, and (iii) any transmission facilities that are included in the rate base of a public utility on which a regulated return is earned.

## **2.2 Comparability**

Transmission Provider shall receive, process, and analyze all MHVDC Transmission Connection Requests in a timely manner as set forth in these MHCP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing MHVDC Transmission Connection Requests from all MHVDC Connection Customers regardless of ownership.

## **2.3 No Application to Transmission Service or Generator Interconnection Service**

Nothing in these MHCP shall constitute a request for Transmission Service or confer upon an MHVDC Connection Customer or any other entity any right to receive Transmission Service or Wholesale Distribution Service under the Tariff. All withdrawal transactions from the Transmission System that are associated with any MHVDC Transmission Line shall be subject to all applicable MISO rates and Tariff schedules. Nothing in these MHCP shall constitute a request for Interconnection Service as defined in Attachment X of the Tariff or confer upon an MHVDC Connection Customer or any other entity any right to receive Interconnection Service under the Tariff.

# **3. MHVDC TRANSMISSION CONNECTION REQUESTS**

## **3.1 General**

An MHVDC Connection Customer shall submit to Transmission Provider an MHVDC Transmission Connection Request in the form of Appendix 1 to these MHCP and the deposit along with the other items listed in Section 3.3.1 of these MHCP. Transmission Provider shall

apply the deposit towards the cost of any technical studies, including an MHVDC Facilities Study, and any restudy, as applicable. MHVDC Connection Customer shall submit an MHVDC Transmission Connection Request indicating the Point of Connection to be studied. MHVDC Connection Customer must submit a deposit with each MHVDC Transmission Connection Request.

### **3.2 MHVDC Transmission Connection Service**

#### **3.2.1 The Product**

MHVDC Transmission Connection Service is provided to physically interconnect an MHVDC Transmission Line to the Transmission System with or without Injection Rights. MHVDC Transmission Connection Service does not confer on any entity any transmission service rights or generator interconnection rights with respect to the Transmission System. MHVDC Connection Customers may procure Transmission Service pursuant to Module B of the Tariff. MHVDC Connection Customers are not eligible to procure Interconnection Service under the Tariff, but may obtain Injection Rights on the Transmission System as set forth in Section 3.2.3 of these MHCP and Attachment X of the Tariff. The Injection Rights can be later converted to external Network Resource Interconnection Service and transferred to customers taking transmission service on the MHVDC Transmission Line, as set forth in Attachment X of the Tariff. Injection Rights do not convey transmission service rights or generator interconnection rights to the MHVDC Connection Customer or any other entity.

**3.2.2 The Study.** The study for MHVDC Transmission Connection Service may consist of short circuit/fault duty, steady state (thermal and voltage), stability, short circuit ratio, harmonic impedance scan, sub synchronous torsional interaction, sub synchronous resonance, and control interaction analyses. The short circuit/fault duty analysis would identify the Connection Facilities required and the upgrades necessary to address short circuit issues associated with the Connection Facilities. The stability and steady state studies may identify



Necessary Upgrades to allow the proposed MHVDC Transmission Line to reliably interconnect at the Point of Connection. Additional studies are required for MHVDC Transmission Connection Requests that request Injection Rights pursuant to Section 3.2.3 of these MHCP.

### **3.2.3 MHVDC Injection Rights**

#### **3.2.3.1 Injection Rights Option**

MHVDC Connection Customer may request the Transmission Provider to further evaluate its MHVDC Transmission Connection Request for Injection Rights on the Transmission System pursuant to Attachment X of the Tariff. Injection Rights do not grant Interconnection Service or Transmission Service to the MHVDC Connection Customer, but instead serve as a pre-certification of the Transmission System's capability to receive energy from the MHVDC Transmission Line at the requested Point of Connection, and in the specified MW quantity, without degrading the reliability of the Transmission System. Injection Rights must be converted to external Network Resource Interconnection Service under Attachment X of the Tariff before those rights may be used to offer energy or capacity into the MISO markets. Any such conversion to external Network Resource Interconnection Service shall occur within three (3) years from the Commercial Operation Date for the MHVDC Transmission Line, as set forth in Appendix C of the Transmission Connection Agreement. Failure to convert any amount of the Injection Rights to external Network Resource Interconnection Service within the time period specified above shall result in termination of Injection Rights with respect to such unconverted amount. In the event any external Network Resource Interconnection Service obtained pursuant to these MHCP terminates more than three (3) years after the Commercial Operation Date for the MHVDC Transmission Line, as set forth in Appendix C of the

Transmission Connection Agreement, such terminated external Network Resource Interconnection Service may not revert back to Injection Rights.

### **3.2.3.2 Application for Injection Rights**

Injection Rights may be requested at any time during the MHVDC transmission connection process. To initiate this process, MHVDC Connection Customer must complete and submit Appendix 1 of Attachment X by selecting “Injection Rights” pursuant to all terms and conditions delineated in Attachment X, including requisite milestones and study deposits within the prescribed schedule deadlines. Any such Injection Rights granted by Transmission Provider, and any increases or reductions to those Injection Rights, shall be documented in Appendix F to the Transmission Connection Agreement. Requests for Injection Rights will be treated similar to the requests for Interconnection Service from a queue priority perspective.

### **3.2.3.3 Injection Rights Studies**

The requests for Injection Rights will follow Transmission Provider’s Generator Interconnection Procedures, as described in Attachment X of the Tariff, and shall be subject to all of the requirements set forth in Attachment X. Requests for Injection Rights shall include both ERIS-level and NRIS-level evaluations. For ERIS-level evaluation, the study will include short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The stability and steady state studies would identify all upgrades required to allow full output of the proposed MHVDC Transmission Line and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting MHVDC Transmission Line without requiring any additional upgrades.

For NRIS-level evaluation, the study will assure that the output of the MHVDC Transmission Line meets the requirements for NR

Interconnection Service and will qualify any Existing Generating Facility connected to the MHVDC Transmission Line as a Network Resource under Module B and the RAR of the Transmission Provider's Tariff. As a general matter, such Generating Facility's interconnection with the Transmission System is studied at both off-peak and peak loads, under a variety of severely stressed conditions, to determine whether, with such Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on the Transmission System or Distribution System, as applicable, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resource is displaced by the output of such Generating Facility.

#### **3.2.4 Responsibility for Upgrade Costs Associated with MHVDC Transmission Connection Service**

MHVDC Connection Customer shall be responsible for the costs of all upgrades to allow full output of the proposed MHVDC Transmission Line, including any costs associated with Injection Rights, as identified by the stability, steady state and other studies identified in Sections 3.2.2 and/or 3.2.3.3 of these MHCP.

### **3.3 Valid MHVDC Transmission Connection Request**

#### **3.3.1 Initiating an MHVDC Transmission Connection Request**

An MHVDC Connection Customer seeking to interconnect an MHVDC Transmission Line to the Transmission System shall submit to Transmission Provider an MHVDC Transmission Connection Request in the form of Appendix 1 to these MHCP. In addition, the MHVDC Connection Customer shall submit a study deposit as required by Section 3.3.3 of these MHCP.

MHVDC Connection Customer must provide the following to the Transmission

Provider:

- (i) A completed MHVDC Transmission Connection Request in the form of Appendix 1;
- (ii) An MHVDC Connection Studies Agreement executed by MHVDC Connection Customer in the form of Attachment B to Appendix 1.
- (iii) A definitive Point of Connection;
- (iv) A one-line diagram showing the MHVDC Transmission Line and associated electrical equipment with appropriate rating and impedance information; and
- (v) A study deposit as defined in Section 3.3.3 of these MHCP.

### **3.3.2 Acknowledgement of MHVDC Transmission Connection Request**

Transmission Provider shall acknowledge receipt of the MHVDC Transmission Connection Request within five (5) Business Days of receipt of the MHVDC Transmission Connection Request by responding to the MHVDC Connection Customer via email and/or other electronic means and providing a copy of the received MHVDC Transmission Connection Request. Transmission Provider shall tender to MHVDC Connection Customer a copy of the countersigned MHVDC Connection Studies Agreement within five (5) Business Days of acceptance of the MHVDC Transmission Connection Request as valid. All acknowledgments and other communications may be made via e-mail and/or other electronic means.

### **3.3.3 MHVDC Study Deposit**

MHVDC Connection Customer shall provide a study deposit in the amount of \$100,000 to be applied toward any technical studies, including an MHVDC Facilities Study, a restudy, or other studies pursuant to its MHVDC Transmission Connection Request. Any Injection Rights studies conducted under Section 3.2.3.3 of these MHCP and Attachment X of the Tariff shall be subject to the deposit and other requirements set forth in Attachment X.

Within thirty (30) Calendar Days after the execution of the Transmission Connection Agreement, MISO shall return to the MHVDC Connection Customer any non-encumbered balance of the study deposits.

### **3.3.4 Deficiencies in MHVDC Transmission Connection Request**

Transmission Provider will consider the MHVDC Transmission Connection Request valid only once all items in Section 3.3.1 have been received. If an MHVDC Transmission Connection Request fails to meet the requirements set forth in Section 3.3.1, Transmission Provider shall notify MHVDC Connection Customer of the deficiency as soon as is practicable, and the reasons for such failure. Transmission Provider shall also provide MHVDC Connection Customer with a notice of the additional information that must be submitted in order to cure the deficiency. In order to cure, MHVDC Connection Customer must submit the necessary information no later than ten (10) Business Days after the notice was received. Should the MHVDC Connection Customer fail to comply with this Section 3.3.4, Transmission Provider will issue a withdrawal notice in accordance with Section 3.5 and will hold all study deposits until such withdrawal notice is made effective in accordance with Section 3.5.

### **3.3.5 Scoping Meeting**

Within ten (10) Business Days after receipt of a valid MHVDC Transmission Connection Request, Transmission Provider shall submit a summary of the

MHVDC Transmission Connection Request to MHVDC Connection Customer and any likely affected Transmission Owner(s). The Transmission Provider shall establish a date agreeable to MHVDC Connection Customer and Transmission Owner for a Scoping Meeting. Transmission Provider shall use Reasonable Efforts to include other Affected System Operators in the Scoping Meeting.

The purpose of the Scoping Meeting shall be to discuss alternative connection options, to exchange information including any transmission data that would reasonably be expected to impact such connection options, to analyze such information and to determine the potential feasible Points of Connection. Transmission Provider, Transmission Owner and MHVDC Connection Customer will bring to the meeting such technical data including, but not limited to, known: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues including voltage and frequency ride-through capabilities for the MHVDC Transmission Line, (v) general power quality issues including voltage flicker, harmonics, (vi) general reliability issues; and (vii) diagrams and/or layout of applicable substations as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider, Transmission Owner, and MHVDC Connection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, MHVDC Connection Customer may modify its Point of Connection and one or more available alternative Point(s) of Connection. MHVDC Connection Customer will have five (5) Business Days from the date of the Scoping Meeting to submit to Transmission Provider its modified Point of Connection(s) as a result of the Scoping Meeting. The duration of the meeting shall be sufficient to accomplish its purpose.

During the Scoping Meeting, Transmission Provider, Transmission Owner, and MHVDC Connection Customer may discuss the MHVDC Connection Customer's interest in obtaining Injection Rights in accordance with Section 3.2.3.

### **3.4 OASIS Posting**

Transmission Provider will maintain a list of all MHVDC Transmission Connection Requests on its OASIS site or public website. The list will identify, for each MHVDC Transmission Connection Request: (i) the maximum electrical injection and withdrawal; (ii) the location by county and state; (iii) the station or transmission line or lines where the connection will be made; (iv) the projected In-Service Date; (v) the status of the MHVDC Transmission Connection Request; (vi) the availability of any studies related to the MHVDC Transmission Connection Request; (vii) the date of the MHVDC Transmission Connection Request; and (viii) for MHVDC Transmission Connection Requests that have not resulted in a completed connection, an explanation as to why it was not completed. The list will not disclose the identity of MHVDC Connection Customer until MHVDC Connection Customer executes a Transmission Connection Agreement or requests that Transmission Provider file an unexecuted Transmission Connection Agreement with FERC. MHVDC Facilities Study reports shall be posted to the Transmission Provider's OASIS site, public website, or secured website prior to the meeting between MHVDC Connection Customer and Transmission Provider to discuss the applicable study results.

### **3.5 Withdrawal of MHVDC Transmission Connection Request**

MHVDC Connection Customer may withdraw its MHVDC Transmission Connection Request at any time by providing written notice of such withdrawal to Transmission Provider. In addition, if MHVDC Connection Customer fails to adhere to all requirements of these MHCP, except as provided in Section 9.5 (Disputes), Transmission Provider shall deem the MHVDC Transmission Connection Request to be withdrawn and shall provide written notice to MHVDC Connection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such

written notice, MHVDC Connection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cure the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

An MHVDC Connection Customer that withdraws or is deemed to have withdrawn its MHVDC Transmission Connection Request shall pay to Transmission Provider all costs that Transmission Provider prudently (i) incurs prior to the Transmission Provider's receipt of notice described above and (ii) will incur as a result of the withdrawal. MHVDC Connection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any MHVDC Facilities Study data or results.

In the event an MHVDC Transmission Connection Request shall be deemed withdrawn, any associated requests for Injection Rights or external Network Resource Interconnection Service under Attachment X shall also be deemed withdrawn.

Transmission Provider shall (i) update the OASIS site or public website list of MHVDC Transmission Connection Requests and (ii) refund to MHVDC Connection Customer any portion of the MHVDC Connection Customer's study deposit that exceeds the costs that Transmission Provider has incurred or will incur as a result of the withdrawal as described in Section 9.3, including interest earned on the MHVDC Connection Customer's study deposit while held in Transmission Provider's interest-bearing, money market account, or if such account does not exist, then the interest calculated in accordance with 18 C.F.R. Section 35.19a(a)(2)(iii). In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 9.1, shall provide, at MHVDC Connection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the MHVDC Transmission Connection Request.

#### **4. TRANSITION PROCEDURES**



Prior to the implementation of these MHCP, all requests for the connection of merchant HVDC facilities were included in the Pre-Queue Phase of the Generator Interconnection Procedures. Upon implementation of these MHCP, Transmission Provider shall assess each merchant HVDC connection request pending in the Pre-Queue Phase of the Generator Interconnection Procedures (“Pre-existing MHVDC Transmission Connection Request”) to determine whether it complies with the requirements set forth in these MHCP. After performing an initial assessment of each such Pre-existing MHVDC Transmission Connection Request, Transmission Provider may request revisions to a Pre-existing MHVDC Transmission Connection Request to comply with all elements of these MHCP. Any MHVDC Connection Customer with a Pre-existing MHVDC Transmission Connection Request shall pay the deposit as set forth in Section 3.3.3 of these MHCP. An affected MHVDC Connection Customer shall have sixty (60) Calendar Days from the request date to respond to such MISO “true-up” requests.

## **5. MHVDC CONNECTION STUDIES**

### **5.1 MHVDC Facilities Study**

The MHVDC Facilities Study will identify estimates for cost and the time required to construct the Connection Facilities, including any Necessary Upgrades. Transmission Provider shall use Reasonable Efforts to complete the MHVDC Facilities Study within ninety (90) Calendar Days. Prior to performing the MHVDC Facilities Study, MISO may conduct other required technical studies, as described in Section 3.2.2 of these MHCP.

#### **5.1.1 MHVDC Facilities Study Procedures**

Transmission Provider shall utilize existing studies to the extent practicable in performing the MHVDC Facilities Study. If Transmission Provider is unable to complete the MHVDC Facilities Study and issue draft Transmission Connection Agreement appendices and, as applicable, supporting documentation within the time required, it shall notify MHVDC Connection Customer and provide an estimated completion date and an explanation of the reasons why additional time

is required. If Transmission Provider is unable to complete the MHVDC Facilities Study with the study deposit provided by MHVDC Connection Customer, Transmission Provider shall notify MHVDC Connection Customer and provide a revised cost estimate with an explanation of the reasons why an additional deposit is required. MHVDC Connection Customer shall then provide within fifteen (15) Business Days of Transmission Provider's notice, an additional deposit equal to the difference between the initial and revised cost estimate. Failure of MHVDC Connection Customer to provide this additional deposit will result in withdrawal of the MHVDC Transmission Connection Request pursuant to Section 3.5 of these MHCP.

MHVDC Connection Customer and Transmission Owner may, within fifteen (15) Calendar Days after receipt of the draft MHVDC Facilities Study report and supporting documentation, provide written comments to Transmission Provider, which Transmission Provider shall include in the final MHVDC Facilities Study report. Transmission Provider shall issue the final MHVDC Facilities Study report and supporting documentation within ten (10) Calendar Days of receiving the MHVDC Connection Customer's comments or promptly upon receiving MHVDC Connection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such thirty-day period upon notice to MHVDC Connection Customer if the MHVDC Connection Customer's comments require Transmission Provider to perform additional analyses or make other significant revisions prior to the issuance of the final MHVDC Facilities Study report. Upon request, Transmission Provider shall provide MHVDC Connection Customer supporting documentation, work papers, and databases or data developed in the preparation of the MHVDC Facilities Study, subject to confidentiality arrangements consistent with Section 9.1. MHVDC Connection Customer shall maintain as confidential any information that is provided by Transmission Provider and identified 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 Section 9.1.

## **5.2 Meeting with Transmission Provider**

Within ten (10) Business Days of providing draft Transmission Connection Agreement appendices and supporting documentation to MHVDC Connection Customer, Transmission Owner and MHVDC Connection Customer may meet to discuss the results of the MHVDC Facilities Study.

## **5.3 MHVDC Facilities Study Restudy**

If Transmission Provider determines a restudy is required before the Transmission Connection Agreement is filed with FERC, Transmission Provider shall provide notice of restudy to MHVDC Connection Customer as necessary. The Transmission Provider's notice shall include a summary of a preliminary analysis supporting the need for an MHVDC Facilities Study restudy, an explanation of why an MHVDC Facilities Study restudy is required, and a good faith estimate of the cost to perform the Facilities Study restudy. The MHVDC Facilities Study restudy shall be performed subject to these MHCP and Business Practices Manuals in effect at the time notice is provided by Transmission Provider. MHVDC Connection Customer shall notify Transmission Provider within five (5) Business Days whether MHVDC Connection Customer wishes to proceed with the MHVDC Facilities Study restudy or withdraw its MHVDC Transmission Connection Request. Transmission Provider shall deem MHVDC Connection Customer's failure to notify Transmission Provider to proceed to perform the MHVDC Facilities Study restudy as MHVDC Connection Customer's withdrawal of its MHVDC Transmission Connection Request in accordance with Section 3.5 of these MHCP. Transmission Provider shall use Reasonable Efforts to complete such MHVDC Facilities Study restudy no later than sixty (60) Calendar Days from the date of notice.

## **5.4 Refunds**

### **5.4.1 Refunds of Study Deposits**

Transmission Provider shall charge and MHVDC Connection Customer shall pay the actual costs of the MHVDC Connection Studies. Any difference between the study deposit and the actual cost of the applicable MHVDC Connection Studies shall be paid by or refunded to the MHVDC Connection Customer except as otherwise provided herein. Any invoices for MHVDC Connection Studies shall include a detailed and itemized accounting of the cost of each MHVDC Connection Study. MHVDC Connection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice. Transmission Provider shall not be obligated to perform or continue to perform any studies unless MHVDC Connection Customer has paid all undisputed amounts in compliance herewith.

### **5.5 Injection Rights Studies**

Any Injection Rights Studies as described in Section 3.2.3.3 shall be conducted in accordance with applicable procedures of Attachment X of the Tariff.

## **6. ENGINEERING & PROCUREMENT (E&P) AGREEMENT**

Prior to executing a Transmission Connection Agreement, an MHVDC Connection Customer, in order to advance the implementation of its connection, may request and Transmission Provider shall offer MHVDC Connection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the connection. However, Transmission Provider shall not be obligated to offer an E&P Agreement if MHVDC Connection Customer is in Dispute Resolution as a result of an allegation that MHVDC Connection Customer has failed to meet any milestones or comply with any prerequisites

specified in other parts of these MHCP or the Generator Interconnection Procedures. The E&P Agreement shall provide for MHVDC Connection Customer to pay the cost of all activities authorized by MHVDC Connection Customer and to make advance payments or provide other satisfactory security for such costs.

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

## **7. TRANSMISSION CONNECTION AGREEMENT, FACILITIES CONSTRUCTION AGREEMENT, AND MULTI-PARTY FACILITIES CONSTRUCTION AGREEMENT.**

### **7.1 Tender.**

MHVDC Connection Customer and Transmission Owner shall return comments on the draft Transmission Connection Agreement, and as applicable, draft FCA(s) and/or MPFCA(s) including appendices and supporting documentation within

thirty (30) Calendar Days of receipt of the document, along with the completion of the parts of the appendices for which MHVDC Connection Customer is responsible. The Transmission Connection Agreement shall be in the form of Transmission Provider's FERC-approved standard for Transmission Connection Agreement, which is in Appendix 2 of these MHCP. The draft FCA and MPFCA shall be in the form of Transmission Provider's FERC-approved standard form, which are in the Appendices 8 and 9 of Attachment X.

If Transmission Provider determines that more than one MHVDC Connection Request or Interconnection Request causes the need for Network Upgrades, Transmission Provider shall determine whether such Network Upgrades are Common Use Upgrades requiring the use of a MPFCA. For a MPFCA, Transmission Provider shall provide the draft MPFCA to all MHVDC Connection Customers and/or Interconnection Customers that create the need and share the responsibility for the Common Use Upgrade. If Transmission Provider determines that an MHVDC Connection Customer and/or Interconnection Customer should be added to an MPFCA as a party, Transmission Provider shall tender a draft MPFCA to the prospective MHVDC Connection Customer and/or Interconnection Customer and include the prospective MHVDC Connection Customer and/or Interconnection Customer in Group Studies consistent with Section 4.2 of Attachment X.

## **7.2 Negotiation.**

Notwithstanding Section 7.1, at the request of any Party, the Parties shall begin negotiations concerning the appendices to the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) at any time after: 1) the preliminary draft Facility Study Report is issued or 2) upon agreement by all the Parties that a Facility Study is not required. Transmission Provider, Transmission Owner and MHVDC Connection Customer shall negotiate concerning any disputed provisions of the draft Transmission Connection Agreement, and, as

applicable, FCA(s) and/or MPFCA(s) for not more than sixty (60) Calendar Days after tender of the draft Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s). If MHVDC Connection Customer, Transmission Owner or Transmission Provider determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) pursuant to Section 7.1 and request submission of the unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) with FERC or initiate Dispute Resolution procedures pursuant to Section 9.5. If an MHVDC Connection Customer requests termination of its negotiations, but within sixty (60) Calendar Days thereafter fails to request the filing of the unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), it shall be deemed to have withdrawn its MHVDC Transmission Connection Request. Unless otherwise agreed by the Parties, if MHVDC Connection Customer has not executed the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), requested filing of an unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) within sixty (60) Calendar Days of tender of completed draft Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), it shall be deemed to have withdrawn its MHVDC Transmission Connection Request. Transmission Provider shall provide to MHVDC Connection Customer and Transmission Owner a final Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) within fifteen (15) Business Days after the completion of the negotiation process. The MHVDC Connection Customer's thirty (30) Calendar Day deadline for execution will not reset upon a change to the agreement after the final Transmission Connection Agreement, FCA, or MPFCA has been tendered, irrespective of changes proposed and agreed to by the parties.

### **7.3 Execution and Filing.**

Within one-hundred and eighty (180) Calendar Days after the Effective Date of the Transmission Connection Agreement, MHVDC Connection Customer shall provide Transmission Provider with reasonable evidence the following milestones in the development of the MHVDC Transmission Line have been achieved: documentation of application for applicable state and local air, water, or land permits and that the application is proceeding per regulations.

MHVDC Connection Customer shall either: (i) execute the appropriate number of originals of the tendered Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) and either tender them to Transmission Owner for its execution, which shall then be returned to Transmission Provider, or return them to Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) in unexecuted form. Within thirty (30) Calendar Days following execution of the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) by MHVDC Connection Customer, or a request by MHVDC Connection Customer that the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) be filed unexecuted pursuant to Section 7.2, Transmission Owner shall either (i) execute the tendered Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) and tender them to Transmission Provider for its execution, or (ii) request in writing that Transmission Provider file with FERC the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the executed tendered Transmission Connection Agreement from both Transmission Owner and MHVDC Connection Customer or the request from both to file an unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), Transmission Provider shall file the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) with FERC together with its explanation of any matters as to



which MHVDC Connection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Owner proposes to charge to MHVDC Connection Customer under the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s). An unexecuted Transmission Connection Agreement should contain terms and conditions deemed appropriate by Transmission Provider for the MHVDC Transmission Connection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted Transmission Connection Agreement, they may proceed pending Commission action.

#### **7.4 Commencement of Connection Activities.**

If MHVDC Connection Customer executes the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), Transmission Owner and MHVDC Connection Customer shall perform their respective obligations in accordance with the terms of the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), subject to modification by FERC. Upon submission of an unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) the Parties shall promptly comply with the unexecuted Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), subject to modification by FERC.

### **8. CONSTRUCTION OF TRANSMISSION OWNER'S OR AFFECTED SYSTEM TRANSMISSION OWNER'S CONNECTION FACILITIES, NECESSARY UPGRADES, AND NETWORK UPGRADES.**

#### **8.1 Schedule.**

Transmission Owner, MHVDC Connection Customer, and, as applicable, Interconnection Customer(s) in an MPFCA, and a Transmission Owner that is an

Affected System and, at its election, Transmission Provider shall negotiate in good faith concerning a schedule for the construction of the Transmission Owner's Connection Facilities, Necessary Upgrades, and Network Upgrades. MHVDC Connection Customer and Transmission Owner shall each provide the other Parties its detailed construction schedule.

## **8.2 Construction Sequencing.**

### **8.2.1 General**

In general, the In-Service Date of an MHVDC Connection Customer seeking connection to the Transmission System will determine the sequence of construction of Transmission Owner's Connection Facilities, Necessary Upgrades, and Network Upgrades, including any Common Use Upgrades. If the time required to build the facilities described in the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), is greater than the time between execution of the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), and the requested In-Service Date, the In-Service Date will be adjusted through the milestones delineated in the Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) appendices prior to the execution of the Transmission Connection Agreement.

### **8.2.2 Advance Construction of Necessary Upgrades or Network Upgrades that are an Obligation of an Entity other than MHVDC Connection Customer**

In order to maintain its In-Service Date, an MHVDC Connection Customer with a Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s), may request that Transmission Owner advance to the extent necessary the completion of Necessary Upgrades or Network Upgrades that: (i) were assumed in the MHVDC

Facilities Studies or Injection Rights Studies for such MHVDC Connection Customer, (ii) are necessary to support such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than MHVDC Connection Customer that is seeking connection to the Transmission System, in time to support such In-Service Date. Upon such request, Transmission Owner will use Reasonable Efforts to advance the construction of such Necessary Upgrades or Network Upgrades, to the extent it is obligated for any such construction, to accommodate such request; provided that MHVDC Connection Customer commits to pay Transmission Owner: (i) any associated expediting costs; and (ii) the cost of such Necessary Upgrades or Network Upgrades. The entity with a contractual obligation to construct such upgrades shall be obligated to pay only that portion of the costs of the upgrades that Transmission Owner has not refunded to MHVDC Connection Customer. Payment by that entity shall be due on the date that it would have been due had there been no request for advance construction. Transmission Owner shall forward to MHVDC Connection Customer (with copy to Transmission Provider) the amount paid by the entity with a contractual obligation to construct such upgrades as payment in full for the outstanding balance owed to MHVDC Connection Customer.

### **8.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of Transmission Provider**

In order to maintain its In-Service Date, an MHVDC Connection Customer with a Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s) may request that Transmission Owner advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date, including those listed as a contingent element in the MHVDC

Connection Customer's Transmission Connection Agreement, and, as applicable, FCA(s) and/or MPFCA(s); and (ii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such In-Service Date. Upon such request, Transmission Owner will use Reasonable Efforts to advance the construction of such Network Upgrades, System Protection Facilities or Distribution Upgrades to accommodate such request; provided that MHVDC Connection Customer commits to pay Transmission Owner any associated expediting costs. MHVDC Connection Customer shall be entitled to transmission credits per Attachment FF, as applicable, for any expediting costs paid by the MHVDC Connection Customer that are associated with the Network Upgrades.

#### **8.2.4 Amended Injection Rights and MHVDC Facilities Studies**

The Injection Rights Studies resulting from the Definitive Planning Phase and/or MHVDC Facilities Study(ies) will be amended to determine the facilities necessary to support the requested In-Service Date. Any amended study will follow the procedures provided in these MHCP and/or the GIP, as applicable, regarding such study and study cost, and will include those facilities that are expected to be in service on or before the requested In-Service Date.

### **9. MISCELLANEOUS.**

#### **9.1 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 any Party to another Party prior to the execution of a service 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.

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.

**9.1.1 Scope**

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a 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 the Transmission Connection Agreement or (6) is required, in accordance with Section 9.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the Transmission Connection 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.

**9.1.2 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), employees, agents, consultants, or to non-parties who may be or considering providing financing to or equity participation with MHVDC Connection Customer, or to potential purchasers or assignees of MHVDC Connection Customer on a need-to-know basis and in connection with these procedures unless such person has first been advised of the confidentiality provisions of this Section 9.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 9.1.

**9.1.3 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.

**9.1.4 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.

**9.1.5 Standard of Care**

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

**9.1.6 Order of Disclosure**

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of the Transmission Connection 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.

**9.1.7 Remedies**

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's breach of its obligations under this Section 9.1. 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 Section 9.1, 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 Section 9.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 9.1.

**9.1.8 Disclosure to FERC, Its Staff, or a State.**

Notwithstanding anything in this Section 9.1 to the contrary, and pursuant to 18 C.F.R Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to these MHCP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. The Party is prohibited from notifying the other Parties prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Transmission Connection Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any



of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. Section 388.112.

Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.

- 9.1.9** Subject to the exception in Section 9.1.8, any information that a disclosing Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under these MHCP or as the Regional Transmission Organization or a Local Balancing Authority operator including disclosing the Confidential Information to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the receiving Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

**9.1.11** At the MHVDC Connection Customer's election, Transmission Provider shall cause the party in lawful possession of Confidential Information to destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

**9.2 Delegation of Responsibility.**

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under these MHCP. Transmission Provider shall remain primarily liable to MHVDC Connection Customer for the performance of such subcontractors and compliance with its obligations of these MHCP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and for no other purpose.

**9.3 Obligation for Study Costs.**

Transmission Provider shall charge and MHVDC Connection Customer shall pay the actual costs of the MHVDC Connection Studies. Any difference between the study deposit and the actual cost of the applicable MHVDC Connection Studies shall be paid by or refunded to, except as otherwise provided herein, MHVDC Connection Customer or offset against the cost of any future MHVDC Connection Studies associated with the applicable MHVDC Transmission Connection Request prior to beginning of any such future MHVDC Connection Studies. Any invoices for MHVDC Connection Studies shall include a detailed and itemized accounting of the cost of each MHVDC Connection Study. MHVDC Connection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice. Transmission Provider shall not be

obligated to perform or continue to perform any studies unless MHVDC Connection Customer has paid all undisputed amounts in compliance herewith.

MHVDC Connection Customer's responsibility for the costs of any Injection Rights Studies shall be determined in accordance with Attachment X of the Tariff.

#### **9.4 Non-Parties Conducting Studies**

If (i) at the time of the signing of an MHVDC Connection Studies Agreement there is disagreement as to the estimated time to complete an MHVDC Connection Study, (ii) MHVDC Connection Customer receives notice pursuant to these MHCP that Transmission Provider will not complete an MHVDC Connection Study within the applicable timeframe for such MHVDC Connection Study, or (iii) MHVDC Connection Customer receives neither the MHVDC Connection Study nor a notice under these MHCP within the applicable timeframe for such Connection Study, then MHVDC Connection Customer may require Transmission Provider or its agent to utilize a consultant reasonably acceptable to MHVDC Connection Customer and Transmission Provider to perform such MHVDC Connection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a consultant to perform such MHVDC Connection Study, either in response to a general request of MHVDC Connection Customer, or on its own volition.

In all cases, use of a consultant shall be limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for the MHVDC Connection Customer's pending MHVDC Transmission Connection Request and not interfere with the Transmission Provider's progress on MHVDC Connection Studies for other pending Transmission Connection Requests. In cases where MHVDC Connection Customer requests use of a consultant to perform such MHVDC Connection Study, MHVDC Connection Customer and Transmission Provider shall negotiate all of the pertinent terms and

conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, databases, study results, and all other supporting documentation prepared to date with respect to the MHVDC Transmission Connection Request as soon as soon as practicable upon MHVDC Connection Customer's request subject to the confidentiality provision in Section 9.1. In any case, such consultant contract may be entered into with either MHVDC Connection Customer or Transmission Provider at the Transmission Provider's discretion. In the case of (iii), MHVDC Connection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such consultant study. Such consultant shall be required to comply with the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the MHVDC Connection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such consultant and MHVDC Connection Customer to complete and issue the MHVDC Connection Study in the shortest reasonable time.

## **9.5 Disputes.**

### **9.5.1 Submission.**

In the event any Party has a dispute or asserts a claim that arises out of or in connection with the Transmission Connection Agreement, these MHCP, or Party 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 other 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 other non-disputing Parties'

receipt of the Notice of Dispute, such claim or dispute shall be submitted in accordance with the dispute resolution procedures of the Tariff. In the event the designated representatives are able to resolve the claim or dispute within the above-described thirty (30) Calendar Day period, the disputing Party shall submit a written explanation of the resolution to the non-disputing Parties and shall obtain the written acknowledgement and acceptance from each non-disputing Party.

Disputes received after the Transmission Connection Agreement has been tendered for execution pursuant to Section 7.1 of these MHCP will not affect any applicable deadline pursuant to Section 7.2 of these MHCP.

## **9.6 Local Furnishing Bonds.**

### **9.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing Bonds.**

This provision is applicable only to a Transmission Owner that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code (“local furnishing bonds”). Notwithstanding any other provision of these MHCP or the Transmission Connection Agreement, Transmission Provider and Transmission Owner shall not be required to provide MHVDC Transmission Connection Service to MHVDC Connection Customer pursuant to these MHCP and Transmission Connection Agreement if the provision of such MHVDC Transmission Connection Service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance Transmission Owner’s facilities that would be used in providing such Interconnection Service.

**9.6.2 Alternative Procedures for Requesting MHVDC Transmission Connection Service.**

If Transmission Owner determines that the provision of MHVDC Transmission Connection Service requested by MHVDC Connection Customer could jeopardize the tax-exempt status of any local furnishing bond(s) used to finance Transmission Owner's facilities that would be used in providing such MHVDC Transmission Connection Service, Transmission Owner shall advise MHVDC Connection Customer and Transmission Provider within thirty (30) Calendar Days of Transmission Owner's determination. MHVDC Connection Customer thereafter may renew its request for connection using the process specified in Article 5.2(ii) of the Transmission Provider's Tariff.

**APPENDICES TO MHCP**

APPENDIX 1      CONNECTION REQUEST FOR A MERCHANT HVDC  
TRANSMISSION LINE

APPENDIX 2      MERCHANT HVDC TRANSMISSION CONNECTION AGREEMENT  
(TCA)

**APPENDIX 1 TO MHCP**  
**CONNECTION REQUEST FOR A**  
**MERCHANT HVDC TRANSMISSION LINE**

1. The undersigned MHVDC Connection Customer (“Connection Customer”) submits this request to interconnect (“Connection Request”) its Merchant HVDC Transmission Line, located in \_\_\_\_\_ County, State, with the Transmission System pursuant to the Tariff.
2. This Connection Request is for (check one):  

☐ A proposed new Merchant HVDC Transmission Line.  
☐ An increase in the generating capacity or a substantial modification of an existing Merchant HVDC Transmission Line.
3. The type of service requested (check as appropriate):  

☐ MHVDC Transmission Connection Service  
☐ Injection Rights Option: MHDVC Connection Customers electing to request Injection Rights on the Transmission System pursuant to the procedures set forth in Section 3.2.3 of Attachment GGG to the Tariff must also make such requests by submitting to Transmission Provider a completed Appendix 1 to Attachment X.
4. Connection Customer provides the following information:
  - a. Address or location for the proposed new Merchant HVDC Transmission Line site (to the extent known) or, in the case of an existing Merchant HVDC Transmission Line, the name and specific location of the existing Merchant HVDC Transmission Line;
  - b. For new Merchant HVDC Transmission Line, maximum MW (Megawatt)/MVAR (Megavar) electrical output:



Summer (net) \_\_\_\_\_ MW \_\_\_\_\_ MVAR at \_\_\_\_\_ degrees C

Winter (net) \_\_\_\_\_ MW \_\_\_\_\_ MVAR at \_\_\_\_\_ degrees C

For increase in capacity maximum megawatt/megavar electrical output; \_\_\_\_\_  
MW \_\_\_\_\_ MVAR of an existing Merchant HVDC Transmission Line:

Maximum electric output before increase

Summer (net) increase of \_\_\_\_\_ MW \_\_\_\_\_ MVAR at \_\_\_\_\_ degrees C

Winter (net) increase of \_\_\_\_\_ MW \_\_\_\_\_ MVAR at \_\_\_\_\_ degrees C;

- c. General description of the equipment configuration;
  - d. Merchant HVDC Transmission Line Commercial Operation Date, synchronization date, and required Connection Facilities In-Service Date by day, month, and year;
  - e. Name, address, telephone number, and e-mail address of the Connection Customer's and its agent's contact person;
  - f. Approximate location of the proposed Point of Connection including township, ZIP code, and range (optional); and
  - g. Connection Customer Data (set forth in Attachment A)
5. Applicable deposit amount as specified in the MHCP;
6. This Connection Request shall be submitted to the representative indicated below:  
USPS mailing address:  
MISO

Attn: Director, Transmission Access Planning  
720 City Center Dr  
Carmel, IN 46032

7. Representative of Connection Customer to contact:

[To be completed by Connection Customer]

8. This Connection Request is submitted by:

[Name of Connection Customer]

By (signature): \_\_\_\_\_

Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment A (Page 1)**

**To Appendix 1**

**Connection Request**

**MERCHANT HVDC TRANSMISSION LINE DATA RATINGS**

1. DC Line Rating at Inverter (MW)			
2. DC Line Rating at Rectifier (MW)			
3. DC Line Rating at Mid-point Tap (MW)			
4. DC Line Resistance – Total (per pole) (Ohms)			
5. DC Line Resistance Rectifier to Midpoint Tap (per pole) (Ohms)			
6. DC Line Resistance Midpoint Tap to Inverter (per pole) (Ohms)			
7. Converter Losses (%)			
8. Rated MVA/Temperature (°F)			
9. Nominal terminal voltage (kV)			
10. Rated power factor (See FERC Order No. 827 <a href="https://www.ferc.gov/whats-new/comm-meet/2016/061616/E-1.pdf">https://www.ferc.gov/whats-new/comm-meet/2016/061616/E-1.pdf</a> )			
11. Voltage Regulation range (+/-)			
12. Power Factor Regulation range (+/-)			
13. Connection (Delta, Grounded WYE, Undergrounded WYE, impedance grounded)			
<b>Real Constants</b>			
Power reference at the main rectifier			
Power reference at the mid-point tap			
Power reference at the main inverter			
HVDC Configuration	1: 3-terminal:rectifier, mid-point tap – inverter, main inverter		
	2: 3-terminal:rectifier, mid-point tap – rectifier, main inverter		
	3: 2-terminal:rectifier, (mid-point tap –out of service), main inverter		
DC Power Ramp Rate			
<b>Integer Constants</b>	DC line number of pole 1		DC line number of pole 2

**Attachment A (Page 2)**

**To Appendix 1**

**Connection Request**

**MERCHANT HVDC TRANSMISSION LINE STEP-UP TRANSFORMER DATA**

**RATINGS**

(Please fill out data in table below for each step-up transformer)

Number of Transformers \_\_\_\_\_

Number of Phases \_\_\_\_\_

RATING	H Winding	X Winding	Y Winding
1. Rated MVA			
2. Connection (Delta, Wye, Gnd.)			
3. Cooling Type (OA, OA/FA, etc)			
4. Temperature Rise Rating (°C)			
5. Rated Voltage (kV)			
6. BIL			
7. Available Taps (% of rating)			
8. Load Tap Changer (Yes/No)			
9. Tap Settings			
IMPEDANCE	H-X	H-Y	X-Y
10. Percent			
11. MVA Base			
12. Tested Taps			
WINDING RESISTANCE	H	X	Y
13. Ohms			

14. Current transformer ratios: H \_\_\_\_\_ X \_\_\_\_\_ Y \_\_\_\_\_ N \_\_\_\_\_  
Percent exciting current at 100% Voltage \_\_\_\_\_ at 110% Voltage \_\_\_\_\_

**Attachment A (Page 3)**  
**To Appendix 1**  
**Connection Request**

**OTHER SPECIAL EQUIPMENT**

Identify any required or planned special equipment and/or diagrams required for this installation including, any Flexible AC Transmission (FACTS) devices such as static VAR compensators or Special Protection Systems (SPS's). Special Protection Systems are defined in the MHCP.

List of adjustable setpoints for the protective equipment or software:

Provide voltage dropout limits expressed in voltage level versus time

Provide frequency dropout limits expressed in frequency versus time

Note: Completed Power Technology Inc. (PTI) Power Systems Load Flow, generator, exciter, and governor data sheets, or acceptable, alternative standard format requested by Transmission Provider, must be supplied with the Connection Request. If other data sheets are more appropriate to the proposed device then they shall be provided and discussed at Scoping Meeting. Connection Customer consisting of many small units shall be required to provide equivalent models of their Merchant HVDC Transmission Line at the Point of Connection with Transmission Provider.

**ATTACHMENT B TO APPENDIX 1 TO MHCP  
MHVDC CONNECTION STUDIES 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 \_\_\_\_\_, (“Connection Customer,”) and the **Midcontinent Independent System Operator, Inc.**, a non-profit, non-stock corporation organized and existing under the laws of the State of Delaware, sometimes hereinafter referred to as the “Transmission Provider.” Connection Customer and Transmission Provider each may be referred to as a “Party,” or collectively as the “Parties.” Any capitalized term used herein but not defined herein shall have the meaning assigned to such term in the MHCP and the Tariff.

**RECITALS**

**WHEREAS**, Connection Customer is proposing to develop a Merchant HVDC Transmission Line or addition of capacity to an existing Merchant HVDC Transmission Line consistent with the Connection Request submitted by Connection Customer dated \_\_\_\_\_; and

**WHEREAS**, Connection Customer desires to interconnect the Merchant HVDC Transmission Line with the Transmission System; and

**WHEREAS**, Connection Customer has requested Transmission Provider to perform MHVDC Connection Studies to assess interconnecting the proposed Merchant HVDC Transmission Line to the 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 in the Transmission Provider's Commission-approved MHCP.
- 2.0 Connection Customer elects and Transmission Provider shall cause to be performed any technical studies, including an MHVDC Facilities Study, pursuant to Sections 3.2.2 and 5 of MHCP, collectively referred to as the "Studies."
- 3.0 The Studies shall be based on the technical information provided by Connection Customer in the Connection Request, as may be modified as the result of the Scoping Meeting, study results, or any other reason identified in the MHCP. Transmission Provider reserves the right to request additional technical information from Connection Customer as such information may reasonably become necessary consistent with Good Utility Practice during the course of the Studies and as designated in accordance with Section 3.3.4 of the MHCP. If, after the designation of the Point of Connection pursuant to Section 3.3.1 of the MHCP, Connection Customer modifies its Connection Request, Transmission Provider may extend the time to complete The Studies.
- 4.0 The Studies pursuant to Section 3.2.2 of MHCP may provide the following information in the study report:
  - identification of any equipment short circuit capability limits exceeded as a result of the interconnection;
  - identification of any thermal overload or voltage limit violations resulting from the interconnection;
  - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection (including as

necessary, transient stability, both large and small signal, sub synchronous stability, dynamic voltage stability, mid and long-term stability, voltage flicker analyses, and excessive neutral current studies in accordance with Good Utility Practice), and

- preliminary description and non-binding, good faith, planning level estimated cost of facilities required to interconnect the Merchant HVDC Transmission Line to the Transmission System and to address the identified short circuit, instability, and power flow issues.

5.0 The MHVDC Facilities Study shall provide draft service agreement appendices and supporting documentation, which will: (i) provide a description, estimated cost of (consistent with Attachment A), and schedule for required facilities to interconnect the Merchant HVDC Transmission Line to the Transmission System and (ii) address the short circuit, instability, and power flow issues identified in the Studies performed pursuant to Section 3.2.2 of MHCP.

6.0 Connection Customer shall provide deposits in the amount and timing outlined in Sections 3.3.3 of the MHCP for the performance of the Studies.

Any difference between the deposit and the actual cost of The Studies shall be paid by or refunded to Connection Customer, as appropriate under Section 5.4.1 of the MHCP.

7.0 Connection Customer may request all Base Cases and work papers associated with this Connection Request, subject to Transmission Provider provisions around acquiring Critical Energy Infrastructure Information.

8.0 Indemnity. To the extent permitted by law, each Party shall at all times indemnify, defend and hold the other Parties harmless from any and all damages,



losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's 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.

- 9.0 Limitation of Liability. Except with respect to the duties of defense and indemnity expressly provided in this Agreement, 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 any service, except as provided in the Tariff. The provisions set forth in the Tariff shall be additionally applicable to any Party acting in good faith to implement or comply with its obligations under this Agreement, regardless of whether the obligation is preceded by a specific directive.
- 10.0 Miscellaneous. Except as otherwise provided herein, this Agreement shall include standard miscellaneous terms including, but not limited to, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the MHCP and the Transmission Connection Agreement.

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

**Midcontinent Independent**  
**System Operator, Inc.**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

**[Insert name of Connection Customer]**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

**APPENDIX 2 TO MHCP**

**TRANSMISSION CONNECTION AGREEMENT**

by and among

**[MHVDC Connection Customer],**

**[Transmission Owner],**

and

**Midcontinent Independent System Operator, Inc.**

entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_

## TRANSMISSION CONNECTION AGREEMENT

THIS TRANSMISSION CONNECTION AGREEMENT ("Agreement"), dated as of \_\_\_\_\_, 20\_\_\_\_, is entered into by and among \_\_\_\_\_ ("Transmission Owner"), \_\_\_\_\_ ("MHVDC Connection Customer"), and Midcontinent Independent System Operator, Inc. ("Transmission Provider"), a non-profit, non-stock Delaware corporation. Transmission Owner, MHVDC Connection Customer, and Transmission Provider are referred to herein individually as "Party," and collectively, as "Parties."

### RECITALS

**WHEREAS**, Transmission Provider exercises functional control over the Transmission System pursuant to the Agreement of Transmission Facilities Owners to Organize the Midcontinent Independent System Operator, Inc., a non-profit, non-stock Delaware corporation ("Transmission Owners Agreement"), and Transmission Owner owns and/or operates certain facilities included in the Transmission System;

**WHEREAS**, MHVDC Connection Customer intends to own, lease, and/or control and operate the Merchant HVDC Transmission Line ("MHVDC Transmission Line") identified in Appendix B to this agreement; and

**WHEREAS**, MHVDC Connection Customer, Transmission Provider, and Transmission Owner have agreed to enter this agreement for the purpose of interconnecting the MHVDC Transmission Line with the Transmission System.

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

### ARTICLE 1 DEFINITIONS

Wherever used in this Agreement with initial capitalization, the following terms shall have the meanings specified or referred to in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in the Transmission Provider Tariff.

- 1.1 "Abnormal Condition" means any condition on the Transmission System, the MHVDC Transmission Line, or the transmission systems of other utilities, which is outside normal operating parameters such that facilities are operating outside their normal ratings or reasonable operating limits have been exceeded but which has not resulted in an Emergency. An Abnormal Condition may include, but is not limited to, high or low

deviations in voltage, frequency, power flow, equipment temperature, equipment pressures, and other equipment and operating parameters.

- 1.2 “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 MHVDC Transmission Line and/or Generating Facility, which is an electric system other than the Transmission Owner’s Transmission System that is affected by the MHVDC Transmission Connection Request. An Affected System may or may not be subject to FERC jurisdiction.
- 1.3 “Affiliate” means, with respect to a 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.
- 1.4 “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.
- 1.5 “Balancing Authority” shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- 1.6 “Balancing Authority Area” shall mean the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.
- 1.7 “Breach” shall mean the failure of a Party to perform or observe any material term or condition of this Agreement.
- 1.8 “Breaching Party” shall mean a Party that is in Breach of this Agreement.
- 1.9 “Commercial Operation Date” shall have the meaning identified in Appendix C.
- 1.10 “Common Use Upgrade” shall mean a Network Upgrade or any other classified addition, alteration, or improvement on the Transmission System or the transmission system of an Affected System, not classified under Attachment FF of the Transmission Provider Tariff as a Baseline Reliability Project, Market Efficiency Project, or Multi-Value Project, that is needed for the interconnection of multiple MHVDC Connection Customers’ and/or Interconnection Customers’ facilities and which is the shared responsibility of such MHVDC Connection Customers and/or Interconnection Customers.

- 1.11 “Connection Facilities” shall mean the Transmission Owner’s Connection Facilities and the MHVDC Connection Customer’s Connection Facilities. Collectively, Connection Facilities include all facilities and equipment between the MHVDC Transmission Line and the Point of Connection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the MHVDC Transmission Line to the Transmission System. Connection Facilities shall not include Distribution Upgrades, Network Upgrades, or Stand Alone Network Upgrades as those terms are defined in the Transmission Provider Tariff.
- 1.12 “Effective Date” shall mean the effective date of this Agreement as determined pursuant to Article 2.1 of this Agreement.
- 1.13 “Emergency” shall mean a condition or situation (1) that has been declared an emergency by an applicable NERC functional entity as defined in the NERC reliability functional model, (2) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life or property, or public health and safety; or (3) that, in the case of a Party, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Transmission System, MHVDC Transmission Line, or the electric systems of others to which the Parties are directly connected.
- 1.14 “EPC Agreement” shall mean the Agreement for Engineering, Procurement, and Construction between Transmission Owner and MHVDC Connection Customer.
- 1.15 “Facilities Construction Agreement (FCA)” shall mean the form of facilities construction agreement, set forth in Appendix 8 to Attachment X of the Transmission Provider Tariff. The FCA shall be used when an MHVDC Connection Customer causes the need for the construction of Network Upgrades on the transmission system of an Affected System.
- 1.16 “FERC” shall mean the Federal Energy Regulatory Commission or its successor.
- 1.17 “Good Utility Practice” shall mean any of the applicable practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment by a Party 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, giving due regard to the requirements of governmental agencies having jurisdiction. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region as they may be applicable to the Parties as transmission system operators.

- 1.18 “Governmental Authority” shall mean any federal, state, local, or other governmental agency, court commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, arbitrating body, or other governmental authority having jurisdiction over a Party, 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 MHVDC Connection Customer, Transmission Owner, Transmission Provider, or any Affiliate thereof.
- 1.19 “Initial Synchronization Date” shall have the meaning identified in Appendix C.
- 1.20 “Injection Rights” shall mean the Transmission Provider’s pre-certification of the Transmission System’s capability to receive capacity and energy from the MHVDC Transmission Line at the requested Point of Connection, and in the specified MW quantity, without degrading the reliability of the Transmission System, as described in Section 3.2.3 of Attachment GGG.
- 1.21 “In-Service Date” shall have the meaning identified in Appendix C.
- 1.22 “IRS” means the Internal Revenue Service.
- 1.23 “MHVDC Connection Customer Connection Facilities” shall mean all facilities and equipment, as identified in Appendix B of this Agreement, that are located between the MHVDC Transmission Line 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 MHVDC Transmission Line to the Transmission System. MHVDC Connection Customer’s Connection Facilities are sole use facilities.
- 1.24 “Modification” means any material, new construction, additions, design changes or modifications, or abandonment, retirement, relocation or rearrangement.
- 1.25 “Multi-Party Facilities Construction Agreement (MPFCA)” shall mean the form of facilities construction agreement, set forth in Appendix 9 to Attachment X of the Transmission Provider Tariff. The MPFCA shall be used when multiple MHVDC Transmission Connection Requests and/or Interconnection Requests cause the need for the construction of Common Use Upgrades on the Transmission System or the transmission system of an Affected System and share cost responsibility for such Common Use Upgrades.
- 1.26 “NERC” shall mean the North American Electric Reliability Corporation or its successor.
- 1.27 “Necessary Upgrades” shall mean the additions, modifications, and upgrades to the facilities owned by Transmission Owner required at or beyond the point at which the

Connection Facilities connect to the Transmission System to accommodate the interconnection of the MHVDC Transmission Line to the Transmission System.

- 1.28 “Network Upgrades” shall mean the additions, modifications, and upgrades to the Transmission System required at or beyond the point at which the Connection Facilities connect to the Transmission System to accommodate the interconnection of the MHVDC Transmission Line to the Transmission System and to provide the requested Injection Rights.
- 1.29 “Operational Change” shall mean any change in the day-to-day routine, practices or procedures which can be reasonably expected to have an adverse or material impact on the operation of the MHVDC Transmission Line or the Transmission System but excluding any change in connection with either a planned or unplanned outage or an Emergency.
- 1.30 “Point of Change of Ownership” shall mean the point, as set forth in Appendix A to this Agreement, where the MHVDC Connection Customer’s Connection Facilities connect to the Transmission Owner’s Connection Facilities.
- 1.31 “Point of Connection” shall mean the point, as set forth in Appendix A of this Agreement, where the Connection Facilities connect to the Transmission System.
- 1.32 “Reasonable Efforts” shall mean, with respect to an action required to be attempted or taken by a Party under this Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.
- 1.33 “Regional Entity” shall mean the regional entity defined in Part 39 of the FERC regulations or its successor.
- 1.34 “Regulatory Requirements” shall mean any of the applicable practices, methods and acts required by NERC, FERC, applicable Regional Entity, Transmission Provider or other governmental agency having jurisdiction over the Parties with regard to the subject matter of this Agreement, or the successor of any of them.
- 1.35 “Reliability Requirements” shall mean mandatory reliability standards adopted by NERC, a Regional Entity or any other regional entity with such jurisdiction and authority and approved by FERC, as amended from time to time, applicable to the facilities owned, and/or operated or functionally controlled by Transmission Owner, MHVDC Connection Customer, or Transmission Provider, respectively.
- 1.36 “SCADA” means supervisory control and data acquisition equipment.



- 1.37 “Stand Alone Network Upgrades” shall mean Network Upgrades that the MHVDC Connection Customer may construct without affecting day-to-day operations of the Transmission System during their construction.
- 1.38 “Transmission Owner Connection Facilities” shall mean all facilities and equipment owned by Transmission Owner from the Point of Change of Ownership to the Point of Connection as identified in Appendix B to this Agreement, including any modifications, additions or upgrades to such facilities and equipment necessary to physically and electrically interconnect the MHVDC Transmission Line to the Transmission System. Transmission Owner’s Connection Facilities are sole use facilities and shall not include Distribution Upgrades, Network Upgrades, or Stand Alone Network Upgrades as those terms are defined in the Transmission Provider Tariff.
- 1.39 “Transmission Provider Tariff” shall mean the Open Access Transmission, Energy and Operating Reserve Markets Tariff of Transmission Provider, as filed with FERC, and as amended or supplemented from time to time, or any successor tariff.

## **ARTICLE 2**

### **EFFECTIVE DATE, TERM, AND CONDITIONS PRECEDENT**

- 2.1 Effective Date. This Agreement shall become effective upon execution by the Parties, subject to acceptance by FERC (“Effective Date”). The Transmission Provider shall promptly file this Agreement with FERC upon execution in accordance with Section 3.1.1, if required.
- 2.2 Term. Unless terminated in accordance with Article 14, this Agreement shall remain in full force and 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 Conditions Precedent.
- 2.3.1 Condition to Effectiveness. It is a condition to the effectiveness of this Agreement that it be accepted for filing by FERC pursuant to Section 205 of the Federal Power Act, if required, subject to the requirements of Section 3.2.1.
- 2.3.2 Condition to Transmission Owner’s Obligation to Build. It is a condition to the Transmission Owner’s obligation to commence construction of any upgrades under this Agreement that Transmission Owner has received all applicable permits, licenses, and authorizations from Governmental Authorities for the commencement of such construction in accordance with the requirements of Section 3.1.2.

### **ARTICLE 3 REGULATORY FILINGS**

#### **3.1 Regulatory Filings.**

3.1.1 FERC Filing. Not later than ten (10) business days following execution of this Agreement or a party's request that Transmission Provider file this Agreement with FERC unexecuted, Transmission Provider shall tender this Agreement to FERC for filing, if required. Transmission Provider will request FERC to accept this Agreement effective consistent with Article 2.1 unless the Parties mutually agree to have the Transmission Provider request a different Effective Date. Transmission Owner and MHVDC Connection Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information, reasonably requested by Transmission Provider.

3.1.2 Transmission Owner Filings with Governmental Authorities. In the event that Applicable Laws and Regulations require Transmission Owner to obtain a permit, license, or authorization from a Governmental Authority for the construction, ownership, and/or operation of any Transmission Owner Connection Facilities or any upgrades (individually or collectively), Transmission Owner shall utilize good faith efforts to timely file the application for the applicable permit, license, or authorization not later than the milestone date identified in Appendix C. MHVDC Connection Customer shall reasonably cooperate with Transmission Owner with respect to such filing and to provide any information reasonably requested by Transmission Owner. Transmission Provider shall reasonably cooperate with Transmission Owner with respect to such filing and to provide any information, including the filing of testimony, reasonably requested by Transmission Owner.

#### **3.2 Effect of Regulatory Conditions.**

3.2.1 FERC. If FERC does not accept this Agreement for filing or accepts it subject to conditions that are unacceptable to Transmission Owner and/or MHVDC Connection Customer, then the Parties will undertake negotiations in good faith to attempt to revise the Agreement in a manner that addresses the basis for FERC's rejection of the Agreement or imposition of unacceptable conditions, provided that if the Parties are unable to negotiate revisions that are acceptable to Transmission Owner and/or MHVDC Connection Customer, each in its sole discretion, within thirty (30) days after the date of the FERC order, then MHVDC Connection Customer and Transmission Owner shall submit the issue for resolution in accordance with the dispute resolution procedures in Article 18 of this Agreement.

3.2.2 Governmental Authority Actions. If a Governmental Authority does not grant an applicable permit, license, or authorization for Transmission Owner to construct, own, or operate the Transmission Owner's Connection Facilities or any upgrades (individually or collectively) or unduly delays or conditions its grant of an applicable permit, license, or authorization in a manner that would (1) materially or adversely affect (i) the timing of completion of the MHVDC Connection Customer's Connection Facilities and the Transmission Owner's Connection Facilities at the Point of Connection, (ii) the MHVDC Connection Customer's Connection Facilities, or (iii) the operation of the MHVDC Transmission Line, or (2) would increase the scope of the cost of any upgrades, then the Parties shall confer regarding the nature and extent of the delay or conditions that have been applied and shall undertake negotiations in good faith to attempt to revise the Agreement in a manner that addresses the basis for the Governmental Authority's delay or imposition of conditions to the extent this Agreement does not address such terms. If the Parties determine that the Agreement cannot be revised in a manner that addresses the basis for the Governmental Authority's delay or imposition of conditions, Transmission Owner, Transmission Provider and/or MHVDC Connection Customer, each in its sole discretion, may terminate this Agreement in accordance with Article 14.

#### **ARTICLE 4**

#### **PURPOSE AND SCOPE**

- 4.1 Purpose. The purpose of this Agreement is to document Connection Facilities, any upgrades, and the Point of Connection and to set forth the terms and conditions for the ownership, system interconnections, operation, maintenance, and future Modifications thereto between the MHVDC Transmission Line and the Transmission System and the coordination between the Parties relating to such operation, maintenance and interconnection of these individual transmission systems. If MHVDC Connection Customer has elected to procure Injection Rights in accordance with Attachment GGG of the Tariff, this Agreement also shall document any such Injection Rights received.
- 4.2 Scope. The scope of service available under this Agreement will be limited to the provision of MHVDC Transmission Connection Service as set forth in Attachment GGG of the Tariff. Nothing in this Agreement shall constitute a request for Transmission Service or confer upon MHVDC Connection Customer or any other entity any right to receive Transmission Service or Wholesale Distribution Service under the Tariff. Nothing in this Agreement shall constitute a request for Interconnection Service as defined in Attachment X of the Tariff or confer upon MHVDC Connection Customer or any other entity any right to receive Interconnection Service under the Tariff.
- 4.3 Injection Rights. MHVDC Connection Customer may elect to request Injection Rights on the Transmission System pursuant to the procedures set forth in Section 3.2.3 of Attachment GGG and Article 16 of Attachment X to the Tariff. Any such Injection

Rights granted by Transmission Provider, and any increases or reductions to those Injection Rights, shall be documented in Appendix F to this Agreement. Documentation of such Injection Rights may require this Agreement to be amended from time to time, consistent with Section 23.7 of this Agreement.

- 4.4 Representation of Control and Authority. MHVDC Connection Customer represents that it has the right, power, and authority to carry out the following activities: design, develop, construct, operate, and maintain the MHVDC Transmission Line in its entirety, provide transmission service on the MHVDC Transmission Line consistent with Applicable Laws and Regulations, including any FERC approvals and requirements, and to undertake all actions, obligations, and responsibilities with respect to the MHVDC Transmission Line identified in this Agreement.

## **ARTICLE 5 SYSTEM CONNECTIONS**

- 5.1 Point of Connection. The MHVDC Transmission Line will connect with the Transmission System at the Point of Connection identified in Appendix A. Any additional Point of Connection or any deletion of a Point of Connection shall be added to or removed from this Agreement by written amendment to this Agreement signed by all Parties. The appropriate geographical reference, a description of the facilities and any applicable special terms and conditions shall be stated in the Point of Connection description in the respective amendment.
- 5.2 Modifications or Additions. If a modification or expansion to the portions of the MHVDC Transmission Line that connect with the Transmission System may be reasonably expected to affect another Party's facilities and Transmission Provider determines that such modifications are subject to the Transmission Provider Tariff, then MHVDC Connection Customer will initiate all applicable study processes under the Transmission Provider Tariff and undertake the development and installation of all upgrades and other modifications identified in such studies as a condition of obtaining MHVDC Transmission Connection Service for the modified or expanded MHVDC Transmission Line.
- 5.3 Balancing Authority, Regional Transmission Planning and Transmission Provider Authority.
- 5.3.1 Balancing Authority Certification. The MHVDC Transmission Line shall be operated by MHVDC Connection Customer or its agent as a Balancing Authority Area separate from the Balancing Authority Area operated by Transmission Provider. No less than thirty (30) days prior to Commercial Operation Date, MHVDC Connection Customer shall present to Transmission Owner and Transmission Provider evidence of certifications for the Balancing Authority for the MHVDC Transmission Line.

- 5.3.2 Balancing Authority Boundary. The boundary between the MHVDC Transmission Line's Balancing Authority Area and the Transmission Provider Balancing Authority Area shall be at the Point of Connection.
- 5.3.3 Balancing Authority Operation. MHVDC Connection Customer may delegate the operation of the MHVDC Transmission Line Balancing Authority Area to a qualified operator. MHVDC Connection Customer or its agent will operate the MHVDC Transmission Line Balancing Authority Area in a manner consistent with Good Utility Practice. MHVDC Connection Customer will ensure that the MHVDC Transmission Line Balancing Authority Area is operated in a manner consistent with all applicable requirements of NERC, a Regional Entity, or a Governmental Authority with respect to Balancing Authority Area operations. MHVDC Connection Customer or its agent will coordinate with Transmission Provider, in its capacity as operator of the Balancing Authority Area that includes the Transmission System, with respect to Balancing Authority Area operational matters including power flow scheduling.
- 5.3.4 NERC Reliability Functional Model. MHVDC Connection Customer shall notify Transmission Owner and Transmission Provider of the regional transmission planning process in which it will participate in accordance with applicable Regulatory Requirements and identify the Functional Entity responsible for performing the Functions identified in NERC Reliability Functional Model, Version 5, as it may be amended or superseded.
- 5.3.5 Transmission Provider Authority. MHVDC Connection Customer shall provide transmission service on the MHVDC Transmission Line, consistent with all Applicable Laws and Regulations, including any FERC approvals and requirements, and subject to a FERC-approved open access transmission tariff or a reciprocity tariff. Subject to FERC approval, MHVDC Connection Customer may delegate its transmission provider responsibilities to a qualified entity.
- 5.4 Connection Facilities and Upgrades Engineering, Procurement, and Construction Without Injection Rights Option Selected.
- 5.4.1 Construction and Milestones.
- The MHVDC Connection Customer shall, at its expense, design, procure, construct, own and install the MHVDC Connection Customer Connection Facilities, as set forth in Appendix B. The MHVDC Connection Customer Connection Facilities 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 MHVDC Connection Customer shall deliver to

Transmission Owner “as-built” drawings, information and documents for the MHVDC Connection Customer Connection Facilities. The Transmission Owner shall, at the MHVDC Connection Customer’s expense, design, procure, construct, own and install the Transmission Owner Connection Facilities, as set forth in Appendix B. The Transmission Owner Connection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Transmission Owner shall deliver to Transmission Provider (if requested) and the MHVDC Connection Customer the “as-built” drawings, information and documents for the Transmission Owner Connection Facilities specified in Appendix B to this TCA.

The schedule for designing, engineering, procuring and constructing the Transmission Owner Connection Facilities and any Necessary Upgrades by the Transmission Owner, and for designing, engineering, procuring and constructing the MHVDC Connection Customer Connection Facilities by the MHVDC Connection Customer, and for submitting security payments for the same, including the In-Service Date, Initial Synchronization Date, and Commercial Operation Date, are identified in Appendix C. As needed and upon reasonable notice, the Parties shall work in good faith to modify, update, or amend the milestones provided in Appendix C; provided, however, that in the event the MHVDC Connection Customer directs the Transmission Owner to suspend work on the Transmission Owner Connection Facilities and/or any Necessary Upgrades and has not requested Transmission Owner to recommence the work on or before the expiration of a total of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

- 5.4.2 Necessary Upgrades. Transmission Owner shall design, procure, and construct the Necessary Upgrades, as identified in Appendix B, at MHVDC Connection Customer’s sole expense. Transmission Owner will utilize efforts that are consistent with Good Utility Practice to place such facilities in service by the dates set forth in Appendix C. Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event Transmission Owner expects that it will not be able to complete the Necessary Upgrades by the specified dates in Appendix C, Transmission Owner shall promptly provide written notice to MHVDC Connection Customer, identify revised target in-service dates for such facilities, and shall undertake efforts consistent with Good Utility Practice to meet the revised dates. If, at any time, MHVDC Connection Customer determines that the completion of the Necessary

Upgrades will not be required until after the Commercial Operation Date, MHVDC Connection Customer will provide written notice to Transmission Owner of such later date upon which the completion of the Necessary Upgrades will be required.

5.4.2.1 Construction Standard. The Necessary Upgrades shall be designed and constructed in accordance with the Transmission Owner's policies and practices for transmission facility design and construction; the Transmission Provider Tariff, as applicable; and Good Utility Practice, including any applicable Regulatory Requirements and Reliability Requirements.

5.4.2.2 O&M Costs. Subject to provisions herein addressing the use of facilities by others, MHVDC Connection Customer shall be responsible for any costs including overheads incurred by Transmission Owner to own, operate and maintain the Transmission Owner Connection Facilities in accordance with Good Utility Practice after such facilities have been placed into service.

5.4.3 Provision of Security. Unless otherwise provided in this Agreement, at least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of an element of the Transmission Owner Connection Facilities or any upgrades, MHVDC Connection Customer shall provide Transmission Owner, at MHVDC Connection Customer's selection, a guarantee, a surety bond, letter of credit, cash payment or other form of security that is reasonably acceptable to Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Section 23.2. Such security for payment shall be in an amount sufficient to cover the Transmission Owner's applicable costs and cost commitments required to procure, install, or construct such discrete portion of the Transmission Owner Connection Facilities and any upgrades pursuant to the construction schedule developed in Appendix C and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Owner for these purposes.

5.5 Connection Facilities and Upgrades Engineering, Procurement, and Construction With Injection Rights Option Selected.

5.5.1 The MHVDC Connection Customer shall, at its expense, design, procure, construct, own and install the MHVDC Connection Customer Connection Facilities, as set forth in Appendix B. The MHVDC Connection Customer Connection Facilities 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 MHVDC Connection Customer shall deliver to

Transmission Owner “as-built” drawings, information and documents for the MHVDC Connection Customer Connection Facilities. The Transmission Owner shall, at the MHVDC Connection Customer’s expense, design, procure, construct, own and install the Transmission Owner Connection Facilities, as set forth in Appendix B. The Transmission Owner Connection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Transmission Owner shall deliver to Transmission Provider (if requested) and the MHVDC Connection Customer the “as-built” drawings, information and documents for the Transmission Owner Connection Facilities specified in Appendix B to this TCA.

Options. Unless otherwise mutually agreed to between the Parties, MHVDC Connection 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 Transmission System equipment or right-of-way; and 2) either Standard Option or Alternate Option set forth below for completion of the Transmission Owner’s Connection Facilities or Network Upgrades, as applicable, and set forth in Appendix B, and such dates and selected option shall be set forth in Appendix C. The dates and selected option shall be subject to the acceptance of Transmission Owner taking into account the type of construction to be employed and the regulatory requirements of Governmental Authorities, and does not convey any right to deliver electricity to any specific customer or Point of Delivery, including the need to obtain permits or other authorizations for construction of the Connection Facilities or Network Upgrades.

5.5.1.1 Standard Option. Transmission Owner shall design, procure, and construct the Transmission Owner’s Connection Facilities, Necessary Upgrades, and Network Upgrades using Reasonable Efforts to complete the Transmission Owner’s Connection Facilities and Network Upgrades by the dates set forth in Appendix C, 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. Transmission Provider or Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, Applicable Laws and Regulations and Good Utility Practice. In the event Transmission Owner reasonably expects that it will not be able to complete the Transmission Owner’s Connection Facilities and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to MHVDC



Connection Customer and Transmission Provider and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.5.1.2 Alternate Option. If the dates designated by MHVDC Connection Customer are acceptable to Transmission Provider and Transmission Owner, Transmission Provider shall so notify MHVDC Connection Customer within thirty (30) Calendar Days, and Transmission Owner shall assume responsibility for the design, procurement and construction of the Transmission Owner's Connection Facilities by the designated dates.

If Transmission Owner subsequently fails to complete the Transmission Owner's Connection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix C, Milestones; Transmission Owner shall pay MHVDC Connection Customer liquidated damages in accordance with Article 5.5.5, Liquidated Damages, provided, however, the dates designated by MHVDC Connection Customer shall be extended day for day for each Calendar Day that Transmission Provider refuses to grant clearances to install equipment.

Transmission Owner and MHVDC Connection Customer may adopt an incentive payment schedule that is mutually agreeable to encourage Transmission Owner to meet specified accelerated dates. Such payment by MHVDC Connection Customer is not subject to refund.

5.5.1.3 Option to Build. If the dates designated by MHVDC Connection Customer are not acceptable to Transmission Owner to complete the Transmission Owner's Connection Facilities or Stand Alone Network Upgrades, Transmission Provider shall so notify MHVDC Connection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, MHVDC Connection Customer shall have the option to assume responsibility for the design, procurement and construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades by the dates originally designated by MHVDC Connection Customer under Article 5.5.1.2. The Parties must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix B. Except for Stand Alone Network Upgrades, MHVDC Connection Customer shall have no right to construct Network Upgrades under this option.

5.5.1.4 Negotiated Option. If MHVDC Connection Customer elects not to exercise its option under Article 5.5.1.3, Option to Build, MHVDC Connection Customer shall so notify Transmission Provider and Transmission Owner within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades by MHVDC Connection Customer) pursuant to which Transmission Owner is responsible for the design, procurement and construction of the Transmission Owner's Connection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Owner shall assume responsibility for the design, procurement and construction of the Transmission Owner's Connection Facilities and Network Upgrades pursuant to 5.5.1.1, Standard Option.

Transmission Owner and MHVDC Connection Customer may adopt an incentive payment schedule that is mutually agreeable to encourage Transmission Owner to meet specified accelerated dates. Such payment by MHVDC Connection Customer is not subject to refund.

5.5.2 General Conditions Applicable to Option to Build. If MHVDC Connection Customer assumes responsibility for the design, procurement and construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades after receipt of all required approvals from Governmental Authorities necessary to commence construction,

(1) MHVDC Connection Customer shall engineer, procure equipment, and construct the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by Transmission Owner, or as required by any Governmental Authority;

(2) MHVDC Connection Customer's engineering, procurement and construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law or Governmental Authorities to which Transmission Owner would be subject in the engineering, procurement or construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades;

(3) Transmission Provider, at Transmission Provider's option, and Transmission Owner shall be entitled to review and approve the engineering design, equipment acceptance tests (including witnessing of acceptance tests), and the construction

(including monitoring of construction) of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades, and shall have the right to reject any design, procurement, construction or acceptance test of any equipment that does not meet the standards and specifications of Transmission Provider, Transmission Owner and any Governmental Authority;

(4) Prior to commencement of construction, MHVDC Connection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider and Transmission Owner;

(5) At any time during construction, Transmission Provider and Transmission Owner shall have unrestricted access to the construction site for the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(6) At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, MHVDC Connection Customer shall be obligated to remedy deficiencies in that portion of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades to meet the standards and specifications provided by Transmission Provider and Transmission Owner;

(7) MHVDC Connection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from the MHVDC Connection Customer's construction of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 13;

(8) MHVDC Connection Customer shall transfer control of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades to Transmission Owner;

(9) Unless Parties otherwise agree, MHVDC Connection Customer shall transfer ownership of the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades to Transmission Owner;

(10) Transmission Provider, at Transmission Provider's option, and Transmission Owner shall approve and accept for operation and maintenance the Transmission Owner's Connection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Section 5.5.2 only if the Transmission Owner's Connection Facilities and Stand Alone Network

Upgrades meet the standards and specifications of Transmission Provider, Transmission Owner and any Governmental Authority.

(11) MHVDC Connection Customer shall deliver to Transmission Owner “as-built” drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Connection Facilities and Stand Alone Network Upgrades are built to the standards and specifications required by Transmission Owner.

- 5.5.3 Initial Payment. MHVDC Connection Customer shall elect (and provide its election to the Transmission Provider within five days of the commencement of negotiation of the TCA pursuant to Section 7.2 of the MHCP) to make either 1) an initial payment equal to twenty (20) percent of the total cost of Network Upgrades, Transmission Owner Connection Facilities, Transmission Owner’s System Protection Facilities, and/or Distribution Upgrades (if the In-Service Date is less than or equal to five (5) years of the initial payment date); or 2) an initial payment equal to ten (10) percent of the total cost of Network Upgrades, Transmission Owner Connection Facilities, Transmission Owner’s System Protection Facilities, and/or Distribution Upgrades (if the In-Service Date exceeds the initial payment date by more than five (5) years); or 3) the total cost of Network Upgrades, Transmission Owner Connection Facilities, Transmission Owner’s System Protection Facilities, and/or Distribution Upgrades in the form of security pursuant to Section 5.5.4. The initial payment shall be provided to Transmission Owner by MHVDC Connection Customer pursuant to this Section 5.5.3 within the later of a) forty-five (45) Calendar Days of the execution of the TCA by all Parties, or b) forty-five (45) Calendar Days of acceptance by FERC if the TCA is filed unexecuted and the payment is being protested by MHVDC Connection Customer, or c) forty-five (45) Calendar Days of the filing if the TCA is filed unexecuted and the initial payment is not being protested by MHVDC Connection Customer. If the MHVDC Connection Customer made its milestone payments in the form of cash and the MHVDC Connection Customer elects a cash initial payment, then the Transmission Provider shall transfer those funds to the Transmission Owner on the MHVDC Connection Customer’s behalf.
- 5.5.4 Provision of Security. Unless otherwise provided in Appendix C, at least thirty (30) Calendar Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of an element, not otherwise funded under Section 5.5.3, of the Transmission Owner’s Connection Facilities, Transmission Owner’s System Protection Facilities, Network Upgrades, Distribution Upgrades or Stand Alone Network Upgrades, or at the request of Transmission Owner if regulatory approvals are required for the construction of such facilities, MHVDC Connection Customer shall provide Transmission Owner, at MHVDC Connection Customer’s selection, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to

Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Section 23.2. Such security for payment shall be in an amount sufficient to cover the applicable costs and cost commitments, in addition to those funded under Section 5.5.3, required of the Party responsible for building the facilities pursuant to the construction schedule developed in Appendix C for designing, engineering, seeking regulatory approval from any Governmental Authority, constructing, procuring and installing the applicable portion of the Transmission Owner's Connection Facilities, Transmission Owner's System Protection Facilities, Network Upgrades, Distribution Upgrades or Stand Alone Network Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Owner for these purposes.

In addition:

- 5.5.4.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Owner, and contain terms and conditions that guarantee payment of any amount that may be due from MHVDC Connection Customer, up to an agreed-to maximum amount.
- 5.5.4.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Owner and must specify a reasonable expiration date.
- 5.5.4.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Owner and must specify a reasonable expiration date.
- 5.5.4.4 If the Shared Network Upgrade is not in service, MHVDC Connection Customer will provide, as applicable, an Irrevocable Letter of Credit to fund any Shared Network Upgrade pursuant to Attachment FF of the Tariff. The Irrevocable Letter of Credit shall be in an amount sufficient to cover the MHVDC Connection Customer's share of the applicable costs and cost commitments associated with the Shared Network Upgrades. Transmission Provider may periodically adjust the MHVDC Connection Customer's share of the applicable costs and cost commitment of Shared Network Upgrades and may require MHVDC Connection Customer to adjust the amount of the Irrevocable Letter of Credit accordingly.
- 5.5.5 Liquidated Damages. The actual damages to MHVDC Connection Customer, in the event the Transmission Owner's Connection Facilities or Network Upgrades are not completed by the dates designated by MHVDC Connection Customer and accepted by Transmission Provider and Transmission Owner pursuant to subparagraphs 5.5.1.2 or 5.5.1.4, above, may include MHVDC Connection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time.

Because of such uncertainty, any liquidated damages paid by Transmission Owner to MHVDC Connection Customer in the event that Transmission Owner does not complete any portion of the Transmission Owner's Connection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to ½ of 1 percent per day of the actual cost of the Transmission Owner's Connection Facilities and Network Upgrades, in the aggregate, for which Transmission Owner has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of the Transmission Owner's Connection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner to MHVDC Connection Customer as just compensation for the damages caused to MHVDC Connection Customer, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this Agreement. Liquidated damages, when the Parties agree to them, are the exclusive remedy for the Transmission Owner's failure to meet its schedule.

No liquidated damages shall be paid to MHVDC Connection Customer if: (1) MHVDC Connection Customer is not ready to commence use of the Transmission Owner's Connection Facilities or Network Upgrades to take the delivery of power from the MHVDC Transmission Line on the specified dates, unless MHVDC Connection Customer would have been able to commence use of the Transmission Owner's Connection Facilities or Network Upgrades to take the delivery of power from the MHVDC Transmission Line, but for Transmission Owner's delay; (2) the Transmission Owner's failure to meet the specified dates is the result of the action or inaction of Transmission Provider, MHVDC Connection Customer or any other earlier queued customer who has entered into an earlier agreement with Transmission Provider and/or a Transmission Owner or with an Affected System Operator, or any cause beyond Transmission Owner's reasonable control or reasonable ability to cure; (3) MHVDC Connection Customer has assumed responsibility for the design, procurement and construction of the Transmission Owner's Connection Facilities; (4) the delay is due to the inability of Transmission Owner to obtain all required approvals from Governmental Authorities in a timely manner for the construction of any element of the Connection Facilities or Network Upgrades, or any other permit or authorization required, or any land rights or other private authorizations that may be required, and Transmission Owner has exercised Reasonable Efforts in procuring such approvals, permits, rights or authorizations; or (5) the Parties have otherwise agreed.

- 5.6 Coordination of Work. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party

may, at any time, request a progress report from the other Party and sufficient information to monitor and review the work of the other Party on the Connection Facilities.

5.7 Permits. MHVDC Connection Customer, Transmission Provider and Transmission Owner shall cooperate with each other in good faith in obtaining all applicable permits, licenses and authorizations that are necessary to accomplish the construction of the Connection Facilities.

5.8 Taxes.

5.8.1 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Transmission Owner. The Parties agree that any payments by MHVDC Connection Customer to Transmission Owner in contribution to the construction of any facilities under this Agreement may create a tax liability for Transmission Owner. To that end, MHVDC Connection Customer shall protect, indemnify, and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by MHVDC Connection Customer to Transmission Owner under this Agreement for Connection Facilities, any upgrades, or other facilities and equipment. All payments from MHVDC Connection Customer to Transmission Owner shall be calculated on a fully grossed-up basis to account for this tax liability.

5.8.2 Tax Gross-Up Amount. MHVDC Connection Customer's potential liability for the cost consequences of any current tax liability under this Section 5.8.2 shall be calculated on a fully grossed-up basis. The Parties agree that "fully grossed-up basis" means that MHVDC Connection Customer will pay Transmission Owner, in addition to the amount paid for the Connection Facilities, any upgrades, or other facilities and equipment, an amount equal to (1) the current taxes imposed on Transmission Owner or determined to be reported by Transmission Owner pursuant to Section 5.8.1 ("Current Taxes") on the excess of (a) the gross income realized by Transmission Owner as a result of payments or property transfers made by MHVDC Connection Customer to Transmission Owner under this Agreement (without regard to any payments under this Section 5.8) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1). For this purpose, (i) Current Taxes shall be computed based on Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time

(the “Current Tax Rate”), and (ii) the Present Value Depreciation Amount shall be computed by discounting Transmission Owner’s anticipated tax depreciation deductions as a result of such payments or property transfers by Transmission Owner’s current weighted average cost of capital. Thus, the formula for calculating MHVDC Connection Customer’s liability to Transmission Owner pursuant to this Section 5.8.2 can be expressed as follows:  $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value Depreciation Amount})) / (1 - \text{Current Tax Rate})$ .

MHVDC Connection Customer shall make such payments according to the milestone schedule set forth in Appendix C. If the actual costs of the Transmission Owner Connection Facilities, any upgrades, and other facilities and equipment are greater than the estimated costs set forth in Appendix B, Transmission Owner shall calculate the tax gross-up payment for the difference between the actual and estimated facilities costs in the event taxes are imposed and present MHVDC Connection Customer with a bill for the tax gross-up amount pursuant to the procedures set forth in Article 19, and MHVDC Connection Customer shall pay such amount pursuant to the procedures set forth in Article 20. If the actual costs of the Transmission Owner Connection Facilities, any upgrades, or other facilities and equipment are less than the estimated costs set forth in Appendix B, Transmission Owner shall refund the tax gross-up payment difference between the actual and estimated facilities costs.

- 5.8.3 Private Letter Ruling or Change or Clarification of Law. At MHVDC Connection Customer’s request and expense, Transmission Owner shall file with the IRS a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by MHVDC Connection Customer to Transmission Owner under this Agreement are subject to federal income taxation. MHVDC Connection Customer will prepare the initial draft of the request for a private letter ruling, and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of MHVDC Connection Customer’s knowledge. Transmission Owner and MHVDC Connection Customer shall cooperate in good faith with respect to the submission of such request.

Transmission Owner shall keep MHVDC Connection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes MHVDC Connection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Owner shall allow MHVDC Connection Customer to attend all meetings with IRS officials about the request and shall permit MHVDC Connection Customer to prepare the initial drafts of any follow-up letters in connection with the request.



5.9 Testing and Inspection

5.9.1 Pre-Operation Testing and Modifications. Prior to the Commercial Operation Date, and after all specifications are met, Transmission Owner shall test the Transmission Owner Connection Facilities and MHVDC Connection Customer shall test the MHVDC Connection Customer Connection Facilities to ensure their safe and reliable operation up to the delivery capacity of the Point of Connection as identified in Appendix B. Each Party shall make any modifications to its Connection Facilities that are necessary as a result of such testing. MHVDC Connection Customer shall bear the cost of all such testing and modifications.

**ARTICLE 6**  
**OPERATIONS AND MAINTENANCE**

6.1 Parties' Obligations. All Parties shall perform their obligations hereunder in accordance with Good Utility Practice, the provisions of this Agreement, and subject to the applicable procedures and requirements of the Transmission Provider Tariff and any Governmental Authority, NERC, or a Regional Entity.

6.2 MHVDC Connection Customer Obligations. MHVDC Connection Customer at its sole expense shall design, operate, and maintain the MHVDC Transmission Line and the MHVDC Connection Customer Connection Facilities in a safe and reliable manner and in accordance with the requirements identified in Appendix E.

6.3 Inadvertent Energy. MHVDC Connection Customer acknowledges and agrees that, to the extent that inadvertent energy flows through any Point of Connection onto the Transmission System, the Transmission Owner shall recoup, recover or otherwise balance any energy amounts with such Balancing Authorities as may be appropriate. MHVDC Connection Customer will provide assistance to Transmission Owner as reasonably requested in resolving inadvertent energy issues at Points of Connection.

6.4 Operating Guidelines. The Parties acknowledge that an operating guide will be developed and approved by the Parties to reflect the operating limitations on the MHVDC Transmission Line as detailed in the results of the reliability studies performed on behalf of Transmission Provider pursuant to the connection request by the MHVDC Connection Customer.

MHVDC Connection Customer and Transmission Owner shall operate their respective facilities in accordance with the operating guidelines identified in Appendix E.

6.5 Preventive and Corrective Maintenance Outages.

6.5.1 Planning and Scheduling. In accordance with Good Utility Practice and as may be provided in Appendix E of this Agreement, the Parties shall confer regularly to coordinate the planning and scheduling of preventive and corrective maintenance of, and Modifications and Operational Changes to, the Connection Facilities that might be reasonably expected pursuant to Good Utility Practice to affect the operation of another Party's transmission system. Absent an Emergency or a contrary directive from Transmission Provider, the Parties shall coordinate their respective schedules for any such activities and will, to the extent practicable and appropriate under the circumstances, give reasonable consideration to, among other things, the impact of the schedule on the other Parties' operations.

6.6 Inspections and Testing.

6.6.1 Inspections. Transmission Owner and MHVDC Connection Customer shall perform routine inspection and testing of their equipment on their respective Connection Facilities in accordance with Good Utility Practice as may be necessary to ensure the continued connection of the MHVDC Transmission Line and the Transmission System in a safe and reliable manner.

6.6.2 Right to Observe Testing. The Parties shall have the right to observe the testing of the other Party's Connection Facilities. The testing Party shall notify the other Parties in advance of such testing unless, in the testing Party's reasonable judgment, the testing must be performed immediately, in which case the testing Party shall provide notice as soon as practicable. The observing Parties may each have a representative attend and be present during such testing.

6.6.3 Observation of Deficiencies. If any Party observes any condition it believes may be inconsistent with Good Utility Practice with respect to a Party's Connection Facilities that might reasonably be expected to adversely affect the observing Party's transmission system, the observing Party shall notify the other Parties. Notwithstanding the foregoing, no Party shall be relieved from liability for adversely affecting another Party's transmission system due to the observing Party's failure to give such notice.

6.7 Disconnection. Transmission Provider or Transmission Owner may disconnect the MHVDC Connection Customer Connection Facilities, when such disconnection is necessary under Good Utility Practice due to an Emergency. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to the Transmission Provider Tariff. When Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall, consistent with the Transmission Provider Tariff, notify MHVDC Connection Customer of the reasons, timing, and expected duration of the disconnection. Transmission Provider shall coordinate with MHVDC Connection Customer and Transmission Owner using Good Utility Practice to schedule the disconnection during periods reasonably expected to have

the least impact to MHVDC Connection Customer, Transmission Owner, and Transmission Provider. Any disconnection shall continue only for so long as reasonably necessary pursuant to Good Utility Practice. The Parties shall cooperate with each other to restore the Connection Facilities and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

- 6.8 **Outages.** In the event of an outage, planned or unplanned, on any Party's transmission system, each such Party shall use efforts consistent with Good Utility Practice, the Transmission Provider Tariff, and any specific requirements as may be provided in Appendix E to this Agreement to restore that Party's transmission system to service.
- 6.9 **Access Rights.** Upon reasonable notice by a Party, and subject to any required or necessary regulatory approvals, a Party (the "Granting Party") shall furnish at no cost to the other Party (the "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, 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 Connection Facilities; (ii) operate and maintain the Connection Facilities; 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.
- 6.9.1 **Access Changes.** Neither the MHVDC Connection Customer nor the Transmission Owner shall make changes to the site topography or accesses, including but not limited to grading or drainage, that could reasonably be expected to have a material adverse effect upon the other Party's facilities or common use drainage or pollution controls systems without the prior written consent of the other Party, such consent not to be unreasonably withheld.

## **ARTICLE 7**

### **EMERGENCIES AND ENVIRONMENTAL RELEASES**

- 7.1 **Generally.** The Parties shall comply with applicable procedures upon declaration of an Emergency by any applicable NERC reliability functional model entity.
- 7.2 **Notice.** Any Party shall provide the other Parties with oral notification that is prompt under the circumstances of an Emergency that may reasonably be expected to affect the other Parties' operation of their respective transmission systems, to the extent the notifying Party is aware of the Emergency. Such notification shall describe, as known, the Emergency, the extent of any damage or deficiency, its anticipated duration, and the

corrective action taken and/or to be taken. If requested by another Party, the initial notice shall be followed as soon as practicable with written notice.

- 7.3 Immediate Action. In the event of an Emergency, the Party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action with respect to its own facilities as is reasonable and necessary to prevent, avoid, or mitigate injury, danger and/or loss of life or property. The Parties shall, consistent with Good Utility Practice, take whatever actions or inactions the Parties deem necessary during an Emergency, including, without limitation, to request and comply with directives of Transmission Provider, in order to: (i) preserve public health and safety; (ii) preserve the reliability of the Parties' transmission systems; (iii) limit or prevent damage; and (iv) expedite restoration of service.
- 7.4 Abnormal Conditions. To the extent any Party is aware of any Abnormal Condition, such Party, subject to the satisfaction of and compliance with Regulatory Requirements, will make Reasonable Efforts to promptly notify the other Parties of such Abnormal Condition if it may reasonably be expected to affect a Party's operation of its transmission system. However, the failure of any Party to provide notice in conformance with this Section 7.4 shall not constitute a material breach of this Agreement.
- 7.5 Environmental Releases. 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 MHVDC Transmission Line or the Connection 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 8**

### **MODIFICATIONS OR OPERATIONAL CHANGES**

- 8.1 Generally. Each of the Parties shall make such Modifications or Operational Changes to its Connection Facilities as are necessary to comply with Good Utility Practice and as may be provided in Appendix B of this Agreement.
- 8.2 Notice. In the event a Party plans to undertake Modifications or Operational Changes to its Connection Facilities that may be reasonably expected, pursuant to Good Utility Practice, to impact any other Party's transmission system, the initiating Party shall provide the other Parties with at least ninety (90) days' advance notice of the desired Modifications or Operational Changes, or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned, or delayed. The nature of and the schedule of work for performing such Modifications, or the nature of

the Operational Changes shall be subject to review and acceptance by the other Parties, which review and acceptance shall not be untimely nor unreasonably withheld or delayed, to ensure that such Modifications or Operational Changes will (i) not adversely affect a Party's transmission system, or other facilities, (ii) are consistent with Good Utility Practice, and (iii) are as provided in Appendix B of this Agreement. Subject to all applicable requirements imposed by Transmission Provider, the suitability and the responsibility for the safe and adequate design, operation, and maintenance of the initiating Party's facilities shall be and remain the sole obligation of the initiating Party.

- 8.3 Cost Responsibility. When the actions of either Party necessitate Modifications or Operational Changes to the other Party's Connection Facilities that are not required by Transmission Provider or FERC or are not otherwise needed to satisfy Regulatory Requirements or Reliability Requirements, such Modifications or Operational Changes to the other Party's Connection Facilities shall be made at the sole cost and expense of the Party initiating the changes, unless otherwise agreed to in writing by the applicable Parties. The initiating Party's responsibility for such Modification or Operational Change costs is limited to those costs that are incremental to costs already planned to be incurred by the other Party.

## **ARTICLE 9**

### **INFORMATION REPORTING, ACCESS, AND AUDIT RIGHTS**

- 9.1 Information Reporting Obligations. Subject to applicable Regulatory Requirements and/or confidentiality agreements, each Party shall, in accordance with Good Utility Practice, work with the other Parties regarding the transfer of information which may reasonably be necessary to support the reliability of any other Party's Connection Facilities.
- 9.2 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 9 and to enforce their rights under this Agreement.
- 9.3 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.

9.4 Audit Rights. Subject to the requirements of confidentiality under Article 17 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 and calculation of invoiced amounts. 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 Section 9.5.

9.5 Audit Rights Periods.

9.5.1 Audit Rights Period for Construction-Related Accounts and Records. Accounts and records related to the design, engineering, procurement, and construction of the MHVDC Connection Customer's Connection Facilities, Transmission Owner Connection Facilities, and any upgrades shall be subject to audit for a period of twenty-four months following Transmission Owner's issuance of a final invoice in accordance with Article 20.

9.5.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to a Party's performance or satisfaction of all obligations under this Agreement other than those described in Section 9.5.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four (24) months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four (24) months after the event for which the audit is sought.

9.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the Party or from whom the overpayment or underpayment is owed together with those records from the audit which support such determination.

## **ARTICLE 10 METERING AND TELEMETERING**

10.1 Metering and Telemetering Equipment. The Parties' respective metering and telemetering equipment, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications

equipment, phone lines, and fiber optics, is identified in Appendix D. Each Party shall own and maintain its respective metering and telemetering equipment consistent with all applicable Regulatory Requirements.

- 10.2 Power Quality Metering. Power Quality measurements including but not limited to harmonic current injection, voltage variation and imbalance will be assessed at the Point of Connection using a standard instrument in compliance with industrial standards, and approved by Transmission Owner.

## **ARTICLE 11 ASSIGNMENT**

- 11.1 Successors and Assigns. This Agreement, and the rights and obligations created thereby, shall bind and inure to the benefit of the successors and permitted assigns of the Parties hereto.
- 11.2 Consent Required. No Party may assign any rights or obligations hereunder without obtaining the consent of the other Parties, which consent shall not unreasonably be withheld, conditioned, or delayed.
- 11.3 Assignment in Event of Merger or for Financing.
- 11.3.1 Notwithstanding anything to the contrary herein, a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that MHVDC Connection Customer shall have the right to assign this Agreement, without the consent of either Transmission Provider or Transmission Owner, for collateral security purposes to aid in providing financing for the MHVDC Transmission Line, provided that MHVDC Connection Customer will promptly notify Transmission Owner and Transmission Provider of any such assignment. Any financing arrangement entered into by MHVDC Connection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's, or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Owner and Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor

shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned, or delayed.

- 11.4 Party to Remain Responsible. Except for assignments pursuant to Section 11.3.1, no assignment, transfer, pledge, conveyance, or disposition of rights or obligations under this Agreement by a Party will relieve that Party from liability and financial responsibility for the performance thereof after any such assignment, transfer, conveyance, pledge, or disposition unless and until the transferee or assignee agrees in writing to assume the obligations and duties of that Party under this Agreement and the non-assigning Parties have consented in writing to such assumption and to a release of the assigning Party from such liability, which consent shall not unreasonably be withheld, conditioned, or delayed.
- 11.5 Termination of Corporate Existence. If a Party terminates its existence as a corporate entity by acquisition, sale, consolidation, or otherwise, or if all or substantially all of such Party's Connection Facilities are transferred to another person or business entity, without complying with Section 11.2 above, the other Parties will have the right, enforceable in a court of competent jurisdiction, to enjoin the Party's successor from using its facilities in any manner that interferes with, impedes, or restricts the other Parties' ability to carry out its ongoing business operations, rights and obligations.

## **ARTICLE 12**

### **FORCE MAJEURE**

- 12.1 Force Majeure Defined. The term "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.
- 12.2 Effect of Force Majeure. Except for obligations to make any payments under this Agreement, the Parties shall be excused from performing their respective obligations under this Agreement and shall not be liable in damages or otherwise if and to the extent that they are unable to so perform or are prevented from performing by a Force Majeure, provided that:
- 12.2.1 the non-performing Party, as promptly as practicable after the Party reasonably determines that a Force Majeure event has occurred and such Force Majeure event will adversely impact the Party's ability to perform its obligations hereunder, gives the other Parties written notice describing the particulars of the occurrence;



12.2.2 the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure;

12.2.3 the non-performing Party uses all Reasonable Efforts to remedy its inability to perform; and

12.2.4 as soon as the non-performing Party is able to resume performance of its obligations excused as a result of the occurrence, it gives prompt written notification thereof to the other Party.

### **ARTICLE 13**

#### **LIMITATION OF LIABILITY, INDEMNIFICATION, AND INSURANCE**

13.1 Limitation on Liability. A Party, its affiliates, directors, officers, employees and agents, shall not be liable to another Party, its affiliates, directors, officers, employees and agents, or to any third party or other person for any damages whatsoever arising or resulting from any act or omission in any way associated with the service provided under this agreement, except as provided in the Transmission Provider Tariff.

13.2 Indemnification.

13.2.1 To the extent permitted by law, a Party (the “Indemnifying Party”) shall at all times indemnify, defend, and hold the other Parties (each an “Indemnified Party”) harmless from any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from another Party’s performance, or non-performance of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of negligence or intentional wrongdoing by the indemnified Party.

13.2.1.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Article 12 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 12.2, 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.

13.2.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 12, 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.

13.2.1.3 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 Section 13.2 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 an 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. .

13.2.2 No Consequential Damages. In no event shall any 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.

- 13.3 Survival. The limitation of liability provided for, and the indemnification obligations of each Party under this Article shall continue in full force and effect regardless of whether this Agreement has either expired or been terminated or canceled with respect to matters that arise during the effectiveness of the Agreement.
- 13.4 Insurance. Transmission Owner and MHVDC Connection Customer shall, at their own expense, maintain in force throughout the period where construction activities are underway by such Party, and until released by the other Party, the following minimum insurance coverages, with insurers authorized to do business or an approved surplus lines carrier in the state where the Point of Connection is located:
- 13.4.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Connection is located.
- 13.4.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.
- 13.4.3 Comprehensive Automobile Liability Insurance, for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers licensed for travel on public roads, with a minimum combined single limit of One Million Dollars (\$1,000,000) each occurrence for bodily injury, including death, and property damage.
- 13.4.4 Excess Public Liability Insurance over and above the Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.
- 13.4.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other

Parties, their parents, associated and Affiliate companies and their respective directors, officers, agents, servants and employees (“Other Party Group”) as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Groups and provide thirty (30) Calendar Days’ advance written notice to the Other Party Groups prior to anniversary date of cancellation or any material change in coverage or condition.

- 13.4.6 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer’s liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.
- 13.4.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by Transmission Owner and MHVDC Connection Customer.
- 13.4.8 The requirements contained herein as to the types and limits of all insurance to be maintained by Transmission Owner and MHVDC Connection Customer are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Transmission Owner and MHVDC Connection Customer under this Agreement.
- 13.4.9 As of the date set forth in Appendix C, Milestones, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, MHVDC Connection Customer and Transmission Owner shall provide the other Party with certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- 13.4.10 Notwithstanding the foregoing, Transmission Owner or MHVDC Connection Customer may self-insure to meet the minimum insurance requirements of Sections 13.4.1 through 13.4.8, to the extent it maintains a self-insurance program; provided that, Transmission Owner’s or MHVDC Connection Customer’s senior secured debt is rated at investment grade, or better, by Standard & Poor’s and that its self-insurance program meets minimum insurance requirements under Sections 13.4.1 through 13.4.8. For any period of time that a

Transmission Owner's or MHVDC Connection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles Sections 13.4.1 through 13.4.8. In the event that Transmission Owner or MHVDC Connection Customer is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Section 13.4.9.

13.4.11 Transmission Owner and MHVDC Connection Customer agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

## **ARTICLE 14**

### **DEFAULT AND TERMINATION**

14.1 Default. No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. 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.

14.2 Continued Operation. In the event of a Breach by any Party, the Parties shall continue to operate and maintain, as applicable, such AC (and any DC backup) power systems, protection and metering equipment, telemetering equipment, SCADA equipment, transformers, communications equipment, building facilities, software, documentation, structural components, and other facilities and appurtenances that are reasonably necessary for the Parties to operate and maintain their respective transmission systems in a safe and reliable manner or as may be required under any Reliability Requirements.

14.3 Right to Terminate.

14.3.1 If a Breach is not cured as provided in this Article 14, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the

defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

14.3.2 This Agreement may be terminated by any one of the Parties after giving ninety (90) Calendar Days advance written notice to the other Parties if the MHVDC Transmission Line fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, or has ceased Commercial Operation for three (3) consecutive years, beginning with the last date of Commercial Operation for the MHVDC Transmission Line, after giving MHVDC Connection Customer ninety (90) Calendar Days advance written notice.

14.3.3 Any Party may terminate this Agreement due to Government Authority Actions, as set forth in Section 3.2.2 hereof.

14.4 FERC Approval. No termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, if required, which notice has been accepted for filing by FERC.

14.5 Termination Costs. If a Party elects to terminate this Agreement pursuant to this Article 14, each Party shall pay all costs incurred for which that Party is responsible (including any cancellation costs relating to orders or contracts for Connection 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 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. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

14.5.1 With respect to any portion of the Connection Facilities and any upgrades that have not yet been constructed or installed, Transmission Owner shall to the extent possible cancel any pending orders of, or return any materials or equipment for, or contracts for construction of, such facilities; provided that in the event MHVDC Connection Customer elects not to authorize such cancellation, MHVDC Connection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to MHVDC Connection Customer as soon as practicable, at MHVDC Connection Customer's expense. To the extent that MHVDC Connection Customer has already paid Transmission Owner for any or all such costs of materials or equipment not taken by MHVDC Connection Customer, Transmission Owner shall promptly refund such amounts to MHVDC Connection Customer, less any costs, including penalties incurred by Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If MHVDC Connection Customer terminates this Agreement, it shall be responsible for all costs incurred in association with that MHVDC Connection Customer's connection, including any cancellation costs relating to orders or contracts for Connection Facilities and equipment, and other expenses including any upgrades or related equipment for which Transmission Owner has incurred expenses and has not been reimbursed by MHVDC Connection Customer.

14.5.2 Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that MHVDC Connection Customer chooses not to accept delivery of, in which case Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities. If Transmission Owner does not so elect, then MHVDC Connection Customer shall be responsible for such costs.

14.5.3 With respect to any portion of the Connection Facilities and any other facilities already installed or constructed pursuant to the terms of this Agreement, MHVDC Connection Customer shall be responsible for all costs associated with the removal, relocation, reconfiguration or other disposition or retirement of such materials, equipment, or facilities, and such other expenses actually incurred by Transmission Owner necessary to return the Transmission System to safe and reliable operation.

14.6 Disconnection. Upon termination of this Agreement in accordance with this Article 14, a Party shall, in coordination with the other Parties, physically disconnect its transmission system from the terminated Party's transmission system. If this Agreement terminates in part with respect to a particular Point of Connection, the Parties will coordinate to disconnect their transmission systems at such Point of Connection.

14.7 Survival of Rights. Termination of this Agreement shall not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. Applicable provisions of this Agreement will continue in effect after expiration, cancellation or termination of this Agreement to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from events or acts that occurred while this Agreement was in effect.

## **ARTICLE 15 LABOR RELATIONS**

15.1 Each Party agrees to immediately notify the other Parties, orally and then in writing, of any labor dispute or anticipated labor dispute of which its management has actual

knowledge that might reasonably be expected to affect the operations of the other Parties with respect to this Agreement.

## **ARTICLE 16 SUBCONTRACTOR**

- 16.1 Generally. Nothing in this Agreement shall prevent a Party from utilizing the services of such subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that all Parties shall require their subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services.
- 16.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.
- 16.3 No Third Party Beneficiary. No subcontractor is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.
- 16.4 No Limitation by Insurance. The obligations under this Article will not be limited in any way by any limitation on subcontractor's insurance.

## **ARTICLE 17 CONFIDENTIALITY**

- 17.1 Nondisclosure. No Party shall disclose any Confidential Information of the other Parties obtained pursuant to or in connection with the performance of this Agreement to any third party without the express written consent of the other Parties, except that any Party may produce Confidential Information in response to a subpoena, discovery request or other compulsory process issued by a judicial body or governmental agency, under applicable law, upon reasonable notice to the Party whose Confidential Information it is.
- 17.2 Definition. "Confidential Information" means any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as Confidential Information by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise. 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 on a confidential basis prior to the execution of this Agreement. Confidential Information shall not include information that



the receiving Party can demonstrate: (i) is generally available to the public other than as a result of a disclosure by the receiving Party; (ii) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (iii) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party, after due inquiry, was under no obligation to the other Party to keep such information confidential; (iv) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (v) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach of this Agreement; or (vi) is required, in accordance with this Article, to be disclosed by any federal or state government or agency 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 held in a court or agency of competent jurisdiction. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as Confidential Information notifies the other Parties that such information no longer is confidential. Finally, for the purposes 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.

- 17.3 Standard of Care. All Parties 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.
- 17.4 Use of Confidential Information. Any Party may use Confidential Information solely to fulfill its obligations to the other Party or Parties under this Agreement or its Regulatory Requirements, or in any proceeding under Article 18 or 20 or in any administrative agency or court of competent jurisdiction addressing any dispute arising under this Agreement, subject either to a confidentiality agreement with all participants (including, if applicable, arbitrator(s)) or to a protective order. Notwithstanding the absence of a protective order or waiver, a Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose.
- 17.5 Damages. The Parties agree that monetary damages by themselves will be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 17.5. Each Party accordingly agrees that the other Parties are entitled to equitable relief, by way of injunction or otherwise, if it breaches or threatens to breach its obligations under this Section 17.5.
- 17.6 Survival. The confidentiality provisions of this Article shall survive termination of this Agreement for a period of two (2) years.

## **ARTICLE 18 DISPUTE RESOLUTION**

- 18.1 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 Transmission Provider Tariff.

## **ARTICLE 19 NOTICES AND COMMUNICATIONS**

- 19.1 Unless otherwise specified herein, any notice, request, claim, demand and other communication 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 respective Parties as follows:

### **To Transmission Owner:**

[Name and/or Title]  
[Company name]  
[Address]  
[Address]  
[City, State] [Zip]  
T: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
F: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
E: (\_\_\_\_) \_\_\_\_-\_\_\_\_

### **To MHVDC Connection Customer:**

[Name and/or Title]  
[Company name]  
[Address]  
[Address]  
[City, State] [Zip]  
T: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
F: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
E: (\_\_\_\_) \_\_\_\_-\_\_\_\_

**To Transmission Provider:**

Attn: Director, Transmission Access Planning  
Midcontinent Independent System Operator, Inc.  
720 West City Center Drive  
Carmel, IN 46032

Any such notice or communication will be deemed to have been given as of the date received.

- 19.2 Any Party may change its address or designated representative for notices by notice to the other Parties in the manner provided above.
- 19.3 Any notice or request required or permitted to be given by any Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out above in Section 19.1.
- 19.4 Notwithstanding Section 19.1, any notice hereunder concerning an Emergency or other occurrence requiring prompt attention, or as necessary during day-to-day operations, may be made by telephone or in person provided that such notice is confirmed in writing promptly thereafter. Notice in an Emergency, or as necessary during day-to-day operations, shall be provided: (i) if by Transmission Owner, to the shift supervisor at MHVDC Connection Customer's transmission control center, (ii) if by Transmission Owner, to the shift supervisor at MHVDC Connection Customer's transmission control center, and (iii) if by Transmission Provider, pursuant to Transmission Provider's established procedures.

**ARTICLE 20**  
**BILLING AND PAYMENT**

- 20.1 Procedure. All bills for amounts owed by one Party to the other hereunder, not otherwise billed by Transmission Owner, shall be due on the 15<sup>th</sup> Business Day following receipt of the bill. The standard period for the purpose of settlements hereunder shall be a calendar month.
- 20.2 Final Invoice. Within six (6) months after completion of the construction of the Connection Facilities and any upgrades, Transmission Owner shall provide an invoice of the final cost of the construction of the Transmission Owner Connection Facilities and any upgrades and shall set forth such costs in sufficient detail to enable MHVDC Connection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Owner shall refund, with interest (calculated in accordance with 18 C.F.R. Section 35.19a(a)(2)(iii), to MHVDC

Connection Customer any amount by which the actual payment by MHVDC Connection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

- 20.3 Interest on Unpaid Balances. Interest on any unpaid amounts that are past due (including amounts placed in escrow) shall be calculated in accordance with the methodology specified for interest on refunds in the FERC's regulations at 18 C.F.R. Section 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated and compounded quarterly as required under such FERC regulation from the due date of the bill to the date of receipt of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by Transmission Owner or MHVDC Connection Customer.

## **ARTICLE 21**

### **RELIABILITY STANDARDS**

- 21.1 Reliability Standards.

21.1.1 Each Party will maintain responsibility to comply, at its own expense, with NERC and Regional Entity mandatory Reliability Requirements applicable to the facilities owned by the Party. The Parties agree to share data or documentation as may be required to demonstrate compliance with Reliability Requirements where an individual Party has possession of data or documentation necessary for the other Party to demonstrate compliance.

21.1.2 To the extent that MHVDC Connection Customer contributes in whole or in part to actions which result in monetary penalties being assessed to Transmission Owner for non-compliance with Reliability Requirements, MHVDC Connection Customer shall reimburse Transmission Owner for its proportional share of such monetary penalties. To the extent that Transmission Owner contributes in whole or in part to actions which result in monetary penalties being assessed to MHVDC Connection Customer for non-compliance with Reliability Requirements, Transmission Owner shall reimburse MHVDC Connection Customer for its proportional share of such monetary penalties. NERC, or the Regional Entity by which a compliance penalty has been assessed, will make the determination of the responsible parties and the contribution to such non-compliance event(s). In the event of a dispute between the Parties regarding either Party's share of such monetary penalties, the dispute shall be subject to the provisions of Article 18 herein.

- 21.2 Reserved Rights. Except as provided by any Reliability Requirements, nothing herein shall affect the right of either Party or Transmission Provider, subject to any necessary regulatory approval, to take such other measures to maintain reliability, including disconnection, which such Party may otherwise be entitled to take under this Agreement, Good Utility Practice or the Transmission Provider Tariff.

## **ARTICLE 22**

### **JOINT OPERATING COMMITTEE**

22.1 Joint Operating Committee. No less than one hundred twenty (120) days before the commencement of operation of the MHVDC Transmission Line the Parties shall establish a Joint Operating Committee to coordinate operating and technical considerations of the connection provided for in this Agreement. Each Party shall appoint a representative to such Committee and notify the other Party of such Appointee. Transmission Provider shall participate in such Committee and shall appoint a representative thereto. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall hold a meeting at the request of either Party or Transmission Provider, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Agreement. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 22.1.1 Assess readiness of the Parties' Connection Facilities to be placed in service on the schedules identified in Appendix C and recommend corrective actions if necessary to facilitate the placement in service of facilities and equipment.
- 22.1.2 Establish data requirements and operating record requirements.
- 22.1.3 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 22.1.4 Annually review the one (1) year forecast of maintenance and planned outage schedules of the Connection Facilities with such forecasts posted on the applicable OASIS.
- 22.1.5 Coordinate the scheduling of maintenance and planned outages on the Connection Facilities, and other facilities that impact the normal operation of the connection, with such scheduled maintenance and planned outages posted on the applicable OASIS.
- 22.1.6 Ensure that information is being provided by each Party regarding equipment availability with such equipment availability posted on each Party's OASIS.

22.1.7 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

## **ARTICLE 23**

### **MISCELLANEOUS PROVISIONS**

23.1 General. Each Party makes the following representations, warranties and covenants:

23.1.1 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 Connection Facilities are located; and that it has the corporate power and authority 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.

23.1.2 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).

23.1.3 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.

23.1.4 Consent and Approval. Notwithstanding Section 23.2 of this Agreement, each 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.

23.2 Governing Law. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state where the Point of Connection 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, rules, or regulations of a Governmental Authority.

- 23.3 Relationship of the Parties. Nothing in this Agreement is intended to create a partnership, joint venture, or other joint legal entity making any Party jointly or severally liable for the acts of the other Party. Unless otherwise agreed to in a writing signed by all Parties, no Party shall have any authority to create or assume in another Party's name or on its behalf any obligation, express or implied or to act or purport to act as any other Party's agent or legally-empowered representative for any purpose whatsoever. Each Party shall be solely liable for the payment of all wages, taxes, and other costs related to the employment of persons by that Party to perform under this Agreement, including all federal, state, and local income, social security, payroll and employment taxes and statutorily-mandated workers' compensation coverage. None of the persons employed by any Party shall be considered employees of the other Party for any purpose; nor shall any Party represent to any person that such persons are or shall become employees of the other Party. Except as expressly provided for herein, no Party shall be liable to any third Party in any way for any engagement, obligation, commitment, contract, representation, or for any negligent act or omission to act of the other Party.
- 23.4 No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties hereto, any benefits, interests, rights, or remedies under or by reason of the Agreement.
- 23.5 Waiver. Except as otherwise provided in this Agreement, a Party's compliance with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
- 23.6 Failure to Enforce. Failure of any Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement, or to give notice or declare this Agreement or the rights hereunder terminated, shall not constitute a waiver or relinquishment of any rights set out herein, but the same shall be and remain at all times in full force and effect, unless and only to the extent expressly set forth in a writing signed by the Party granting such waiver or relinquishing any such right(s). Any waiver granted, or relinquishment of any right, by a Party shall not operate as a relinquishment of any other rights or a waiver or of any other failure of the Party granted the waiver to comply with any obligation, covenant, agreement, or condition herein.
- 23.7 Amendments and Modification. Except as otherwise provided, (a) this Agreement may only be modified in writing and signed by all Parties, and (b) no amendment or modification to this Agreement or waiver of a Party's rights hereunder shall be binding unless the same shall be in writing and signed by all Parties against which enforcement is

sought. Notwithstanding any provision in this Agreement to the contrary, Transmission Provider shall have the right to make a unilateral filing with FERC to modify this TCA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Transmission Owner and MHVDC Connection Customer shall have the right to make a unilateral filing with FERC to modify this TCA pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing and to participate fully in any proceeding before FERC in which such modifications may be considered.

- 23.8 Severability. If any term, condition, covenant, restriction or other provision of this Agreement is held by a court or regulatory agency of competent jurisdiction or by legislative enactment to be invalid, void or otherwise unenforceable, the remainder of the terms, conditions, covenants restrictions and other provisions of this Agreement shall remain in full force and effect unless such an interpretation would materially alter the rights and privileges of any Party. If any term, condition, covenant, restriction or other provision of this Agreement is held invalid, void or otherwise unenforceable, the Parties shall attempt to negotiate an appropriate and equitable replacement, revision or adjustment to the provision of this Agreement to restore the benefits and obligations conferred under the original Agreement.
- 23.9 Headings and Captions. Article headings, section headings, and/or other captions are included in this Agreement for reference purposes only and shall not constitute a part of this Agreement or in any way affect the meaning or interpretation of this Agreement. Whenever used herein the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.
- 23.10 Further Assurances. Each Party shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as any other Party reasonably requests from time to time in furtherance of the purposes of this Agreement.
- 23.11 Entire Agreement. This Agreement, including all schedules, appendices and other attachments hereto and made part hereof, sets forth the entire understanding and agreement of the Parties as to the subject matter of this Agreement and merges and supersedes all prior written and oral understandings, offers, agreements, commitments, representations, writings, discussions or other communications of every kind between the Parties.
- 23.12 Rights Cumulative. The rights and remedies set forth in this Agreement are cumulative and non-exclusive.



23.13 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Agreement in quadruplicate originals, each of which shall constitute and be an original effective Agreement among the Parties as of the date first above written.

**[Transmission Owner]**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

**[MHVDC Connection Customer]**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

**Midcontinent Independent System Operator, Inc.**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

**APPENDIX A**

**TRANSMISSION CONNECTION AGREEMENT**  
**by and among**  
**[Transmission Owner],**  
**[MHVDC Connection Customer],**  
**and**  
**Midcontinent Independent System Operator, Inc.**

**POINT OF CHANGE OF OWNERSHIP**

Point of Change of Ownership	
	<b>Name and Location</b> <b>Brief Description</b>

**POINT OF CONNECTION**

Point of Connection	
	<b>Name and Location</b> <b>Brief Description</b>

**APPENDIX B**

**TRANSMISSION CONNECTION AGREEMENT  
by and among  
[Transmission Owner],  
[MHVDC Connection Customer],  
and  
Midcontinent Independent System Operator, Inc.**

**CONNECTION FACILITIES AND ANY NECESSARY UPGRADES**

**General Description of MHVDC Connection Customer's Connection Facilities**

The MHVDC Connection Customer will design, construct, and own the MHVDC Connection Customer's Connection Facilities. The MHVDC Connection Customer's Connection Facilities will be between the MHVDC Transmission Line located at [ ] to the Point of Change of Ownership located at [ ]. The site for the MHVDC Connection Customer's Connection Facilities is depicted in the drawing attached hereto as Exhibit B1.

**General Description of Transmission Owner's Connection Facilities**

The Transmission Owner will design, construct, own and operate the Transmission Owner's Connection Facilities. The Transmission Owner's Connection Facilities will be between the Point of Change of Ownership located at [ ] to the Point of Connection located at [ ]. The site for the Transmission Owner's Customer's Connection Facilities is depicted in the drawing attached hereto as Exhibit B2.

*[insert description of the Transmission Owner's Connection Facilities]*

**General Description of Any Necessary Upgrades**

*[insert description of the Necessary Upgrades]*

**Exhibits** – The following exhibits are included:

- B1. MHVDC Connection Customer One-Line and Site Map
  - B1-1: MHVDC Connection Customer One-Line Diagram
  - B1-2: Connection Project Site Map
- B2. Transmission Owner One Line and System Map
  - B2-1: Transmission Owner's One Line

B2-2: Transmission Owner's Necessary Upgrade map

- B3. Transmission Owner Substation General Arrangement
- B4. {Reserved}
- B5. Facilities to be Constructed by Transmission Owner
- B6. Detailed Costs of Facilities to be Constructed by Transmission Owner
- B7. Necessary Upgrades to be Constructed by Transmission Owner
- B8. Transmission Owner's Connection Facilities to be Constructed by MHVDC Connection Customer
- B9. Facilities Subject to Transmission Owner Reimbursement
- B10. Contingent Facilities
- B11. MHVDC Connection Customer Milestones
- B12. Construction and Coordination Schedules
- B13. Permits, Licenses, Regulatory Approvals and Authorization
- B14. {Reserved}

**Exhibit B1. MHVDC Connection Customer One-Line and Site Map**  
**B1-1: MHVDC Connection Customer One-Line Diagram**

**B1-2: Connection Project Site Map**

**Exhibit B2. Transmission Owner One Line and System Map**  
**B2-1: Transmission Owner's One Line**



**B2-2: Transmission Owner's Necessary Upgrades map**

**B3. Transmission Owner Substation General Arrangement**

**B4. {Reserved}**

**Exhibit B5. Facilities to be Constructed by Transmission Owner**

<b>Description of Upgrade</b>	<b>Upgrade Classification</b>	<b>Estimated Cost*</b>
[insert].	[insert]	\$(insert)

**Exhibit B6. Detailed Costs of Facilities to be Constructed by Transmission Owner**

**Exhibit B7. Transmission Owner Facilities to be Constructed  
by MHVDC Connection Customer**

<b>Description of Upgrade</b>	<b>Upgrade Classification</b>	<b>Estimated Cost*</b>
[insert]	[insert]	\$(insert)
[insert]	[insert]	\$(insert)

\*These cost estimates are from Transmission Owner. These will be constructed by MHVDC Connection Customer. Cost estimates will be revised by MHVDC Connection Customer once the engineering, procurement, and construction agreement is complete.

**Exhibit B8. Detailed Costs of Transmission Owner's Facilities to be Constructed by  
MHVDC Connection Customer**

**Exhibit B9. Facilities Subject to Transmission Owner Reimbursement**



**Exhibit B10. Contingent Facilities**

**Exhibit B11. MHVDC Connection Customer Milestones**

**Exhibit B12. Construction and Coordination Schedules**

**Exhibit B13. Permits, Licenses, Regulatory Approvals and Authorization**

**Exhibit B14. {Reserved}**

## APPENDIX C

### TRANSMISSION CONNECTION AGREEMENT

by and among  
[Transmission Owner],  
[MHVDC Connection Customer],  
and  
Midcontinent Independent System Operator, Inc.

### MILESTONES

The **Commercial Operation Date** shall be \_\_\_\_\_.

The **Initial Synchronization Date** shall be \_\_\_\_\_.\*

The **In-Service Date** shall be \_\_\_\_\_.\*

\*These dates are dependent upon system conditions in the area that will allow a line outage for cut in to take place

**Table A: MILESTONES FOR MHVDC CONNECTION  
CUSTOMER CONNECTION FACILITIES**

No.	Description	Date
1	MHVDC Connection Customer to commence detailed design, engineering, and equipment procurement for MHVDC Connection Customer Connection Facilities	[TBD]
2	MHVDC Connection Customer to commence construction activities for MHVDC Connection Customer Connection Facilities	[TBD]
3	In-Service Date for MHVDC Connection Customer Connection Facilities	[TBD]

**Table B: MILESTONES FOR TRANSMISSION OWNER CONNECTION  
FACILITIES AND NECESSARY UPGRADES**

<b>No.</b>	<b>Description</b>	<b>Date</b>
1	Transmission Owner to commence detailed design, engineering, and equipment procurement for Transmission Owner Connection Facilities and any upgrades	[TBD]
2	Transmission Owner to commence construction activities for Transmission Owner Connection Facilities and any upgrades	[TBD]
3	In-Service Date for Transmission Owner Connection Facilities and any upgrades	[TBD]

**Table C: MILESTONES FOR TRANSMISSION OWNER  
CONNECTION FACILITIES AND NECESSARY UPGRADES  
TO BE CONSTRUCTED BY MHVDC CONNECTION CUSTOMER**

<b>No.</b>	<b>Description</b>	<b>Date</b>
1	Parties Execution of Engineering, Procurement, and Construction Agreement (“EPC Agreement”)	[TBD]
2	MHVDC Connection Customer to commence detailed design, engineering, and equipment procurement for Transmission Owner Connection Facilities and Necessary Upgrades	[TBD]
3	MHVDC Connection Customer to provide design packages from EPC Agreement to Transmission Owner for review and approval prior to commencing construction activities	[TBD]
4	Transmission Owner to file application(s) to Governmental Authority(ies) for required permits, licenses, or authorizations, if any	[TBD]
5	MHVDC Connection Customer to commence construction activities for Transmission Owner Connection Facilities and Necessary Upgrades	[TBD]
6	In Service Date identified in EPC Agreement	[TBD]
7	MHVDC Connection Customer to make a payment to Transmission Owner for taxes associated with the transfer of ownership of Transmission Owner Connection Facilities and Necessary Upgrades.	[TBD]
8	MHVDC Connection Customer to transfer ownership of Transmission Owner Connection Facilities and Necessary Upgrades to be owned by Transmission Owner.	[TBD]



**APPENDIX D**

**TRANSMISSION CONNECTION AGREEMENT**

**by and among**

**[Transmission Owner],**

**[MHVDC Connection Customer],**

**and**

**Midcontinent Independent System Operator, Inc.**

**METERING AND TELEMETERING EQUIPMENT**

**APPENDIX E**

**TRANSMISSION CONNECTION AGREEMENT  
by and among  
[Transmission Owner],  
[MHVDC Connection Customer],  
and  
Midcontinent Independent System Operator, Inc.**

**MHVDC TRANSMISSION LINE  
DESIGN AND OPERATING REQUIREMENTS**

**APPENDIX F**

**TRANSMISSION CONNECTION AGREEMENT**

**by and among**

**[Transmission Owner],**

**[MHVDC Connection Customer],**

**and**

**Midcontinent Independent System Operator, Inc.**

**MHVDC TRANSMISSION LINE**

**INJECTION RIGHTS GRANTED PER ATTACHMENT X**