

## **Operating Protocol for Existing Generators**

### **1.0 Scope of Transmission Provider Operating Authority**

#### **1.1 Applicability**

These Operating Protocols shall be applicable to all Generators interconnected to the Transmission System that have not entered into an Interconnection and Operating Agreements with the Transmission Provider pursuant to either Attachment R or Attachment X of the Midwest ISO Tariff.

### **1.2 Prior Agreements**

#### **1.2.1 Operating Instructions**

Transmission Provider recognizes that there may be existing agreements between Generators and the owners of the transmission facilities to which they are connected, and that these agreements may contain operating and other provisions that may not be identical to the Transmission Provider operating protocols established in this Rate Schedule and other business practices established by the Transmission Provider. These Prior Agreements, to the extent they are FERC jurisdictional rate schedules, shall remain in effect unless modified or terminated by the parties thereto pursuant to Section 205 or 206 of the Federal Power Act. These Operating Protocols shall be deemed to supersede such Prior Agreements only when, and as, necessary for the Transmission Provider to maintain the safety and reliability of the facilities under its control. In such situations, as the potential need to amend Prior Agreements is identified by the Transmission Provider and/or parties to the Prior Agreements, the Transmission Provider will make such decisions to supersede Prior Agreements on a case-by-case basis with full input from the parties to such Prior Agreements. In addition, in carrying out its responsibilities as Reliability Authority, the Transmission Provider may provide operating instructions to Generators that must be followed. Transmission Provider will coordinate the delivery of operating instructions to Generators with the applicable Operating Authority. Communications between the Transmission Provider, applicable Operating Authorities, and Generators will be coordinated as provided for in Section 2.3 of this Rate Schedule. In the event of any conflicts between instructions provided to a Generator by the Transmission Provider and the Operating Authority, the Generator shall follow the instructions of the

Transmission Provider. In the event the Transmission Provider must exercise its authority to temporarily supersede a Prior Agreement in order to avoid an imminent threat to the reliability of the Transmission System, the Transmission Provider's authority will terminate within sixty (60) days of such superseding event, unless an agreement is reached between the Generator and the Transmission Provider or a Section 206 filing pursuant to the Federal Power Act is submitted to the FERC by the Transmission Provider. In the event the Transmission Provider, Generator, or any other entity submits a Section 206 filing within the sixty (60)-day period, the Transmission Provider maintains the right to unilaterally supercede the Prior Agreement until an order is issued by the FERC with respect to the Transmission Provider's, Generator's, or any other entity's Section 206 filing.

### **1.2.2 Compensation under Prior Agreement**

If Generator Facility supplies any services under Sections 2.0 or 3.0 of this Rate Schedule, compensation shall be in accordance with: (1) Sections 2.7.3, 2.8.1.2 or 3.4.3, as applicable; or (2) any applicable Prior Agreements for such compensation between the Generator and the Transmission Owner, if agreed to by the parties thereto, and unless amendments to the Prior Agreements are filed with the FERC pursuant to Section 205 or 206 of the Federal Power Act to conform to the compensation provisions for such services provided for in Sections 2.7.3, 2.8.1.2 and 3.4.3 of this Rate Schedule. Generators shall comply with the operating directions given by the Transmission Provider as provided for in these Operating Protocols even though the terms of compensation for services provided under these Operating Protocols may continue to be governed by the terms of Prior Agreements. If compensation for services provided by Generators pursuant to Sections 2.0 and 3.0 of this Rate Schedule are not provided for in an applicable tariff on file by the Generator, or in Prior Agreements, Generators shall be compensated for providing such services pursuant to the provisions of the Midwest ISO Tariff.

## **2.0 General Operating Requirements**

### **2.1 General Provisions**

The respective performances of the Transmission Provider and Generators operating within the Transmission Provider Region shall comply with the requirements, directions, manuals, standards, and guidelines of the NERC, the Applicable Reliability Council and the Control Area in which the Generator is electrically located.

## **2.2 Coordination Contact**

Each Generator operating within the Transmission Provider Region shall identify a representative to serve as a “Coordination Contact” to be the initial point of contact and coordinate the communication between the Transmission Provider and the Generator.

## **2.3 Communications**

### **2.3.1 General Coordination**

The Transmission Provider will give direction as necessary to both Generators and other Operating Authorities as necessary to maintain the reliability and security of the Transmission System. When direction is given by the Transmission Provider to alter the operation of a Generating Facility, such direction will always be coordinated with the appropriate Operating Authority. The Transmission Provider will provide this direction to either the Generator directly or to the Operating Authority, based on the preference of the Generator.

### **2.3.2 Coordination with Jointly-Owned Generating Facilities**

The Transmission Provider may need to provide direction to jointly owned Generating Facilities. In such cases, where the multiple owners are members of the Midwest ISO, the joint owners must designate the operating entity the Transmission Provider will contact for communicating directives. The Transmission Provider, as Reliability Authority, will give directions to the designated operating entity for the Generating Facility in order to maintain the reliability of the system, regardless of whether one or more of the joint owners are not members of the Transmission Provider.

### **2.3.3 Coordination with Generating Facilities Connected to Electrical Facilities not Under Operational control of Transmission Provider (e.g., sub-transmission or distribution system)**

The Transmission Provider may need to provide direction to Generators and other Operating Authorities connected to electrical facilities within the Transmission Provider Region that are not under the direct operational control of the Transmission Provider. The Transmission Provider will provide this direction through the Operating Authority that has an interconnection with the

Generating Facility in question. The Operating Authority is required to respond to directions from the Transmission Provider as provided for in the Transmission Owners' Agreement. The Operating Authority will provide direction to such Generators in accordance with the Transmission Owners' Agreement and agreements or arrangements between the existing Generator and the Operating Authority.

#### **2.3.4 Generator Communications Obligations**

Generator shall maintain satisfactory operating communications with Transmission Provider's Operating Authority dispatcher or representative designated by Transmission Provider.

Any required maintenance of Generator provided equipment required for such communications shall be the responsibility of the Generating Facility.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction of the other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible. In addition to the above mentioned obligations, these communications obligations will be performed in accordance with the pre-existing Interconnection Agreement(s) between the Parties.

#### **2.4 Transmission Provider and Transmission Owner Obligations**

Transmission Provider shall cause the Transmission System and the Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this Operating Protocol. Transmission Provider, or its designee, may provide operating instructions to the Generator consistent with this Operating Protocol and Transmission Provider's and, if applicable, Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Generator.

#### **2.5 Generator Obligations**

Generator shall at its own expense operate, maintain and control the Generating Facility and the Generator Interconnection Facilities in a safe and reliable manner and in accordance with this Operating Protocol. The Generating Facility must be operated in

accordance with the operating limits, if any, in any applicable Study Report establishing such limits. Generator shall operate the Generating Facility and the Generator Interconnection Facilities in accordance with all applicable requirements of the Transmission Provider or its designated Operating Authority of which the Generating Facility is part, as such requirements are set forth in Transmission Provider's and, if applicable, Transmission Owner's operating protocols and procedures as they may change from time to time. Any Party may request that a Party provide copies of the requirements set forth in any applicable protocols and procedures.

## **2.6 Synchronization**

Consistent with the Parties' mutually acceptable procedures, the Generator is responsible for the proper synchronization of the Generating Facility to the Transmission System.

## **2.7 Reactive Power**

### **2.7.1 Power Factor Requirements**

Generator shall be capable of maintaining a composite power delivery at continuous rated power output at the Point of Interconnection at all power factors either (1) over 0.95 leading to 0.95 lagging, unless Transmission Provider has established different requirements that apply to all generators in the Control Area on a comparable basis, and provided that the Generating Facility design and operational limits permit such operation, including warranty requirements and environmental permits or (2) over the range of power factors specified in any existing agreement between the generator and the Transmission Owner. The Generating Facility shall be capable of continuous dynamic operation throughout the power factor design range as measured at the Point of Interconnection. Such operation shall account for the net affect of all energy production devices on the Generator's side of the Point of Interconnection.

### **2.7.2 Voltage Schedules**

Once the Generator has synchronized the Generating Facility with the Transmission System, Transmission Provider shall require Generator to operate the Generating Facility to produce or absorb reactive power consistent with equipment design limitations and Good Utility Practice within the design limitations of the Generating Facility set forth in Article 2.7.1 (Power Factor Requirements), to maintain the output voltage or power factor at the Point of

Interconnection as specified by the Transmission Provider. Transmission Provider's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Provider shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission or Distribution System as applicable. Generator shall operate the Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Generating Facility set forth in Article 2.7.1 (Power Factor requirements). If Generator is unable to maintain the specified voltage or power factor, it shall promptly notify Transmission Provider's system operator, or its designated representative.

**2.7.2.1 Governors and Regulators** Whenever the Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) and voltage regulators are capable of operation, Generator shall operate the Generating Facility with its speed governors and voltage regulators in automatic operation. If the Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, the Generator shall immediately notify Transmission Provider's system operator, or its designated representative, and ensure that such Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits. Generator shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any electrical generating device comprising the Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Control Area on a comparable basis.

### **2.7.3 Compensation for Reactive Power Supply**

Payments for Reactive Power shall be pursuant to any tariff or rate schedule filed by Transmission Provider and approved by the FERC.

## **2.8 Outages and Interruptions**

### **2.8.1 Outages**

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

**2.8.1.2 Outage Schedules** The Transmission Provider shall post scheduled outages of transmission facilities on OASIS. Generator shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period in accordance with the Transmission Provider's procedures. Generator shall update its planned maintenance schedules as necessary. Transmission Provider may request Generator to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate, pursuant to applicable Transmission Provider tariff or rate schedule, Generator for any additional direct costs that the Generator incurs as a result of having to reschedule maintenance, including additional overtime, breaking of maintenance contracts or other costs above and beyond the cost the Generator would have incurred absent the Transmission Provider's request to reschedule maintenance. Generator will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, the Generator had modified its schedule of maintenance activities.

Costs shall be determined by negotiation between the Transmission Provider and Generator prior to implementation of the voluntary change in outage schedules, or if such request is made by or on behalf of a Transmission Customer requesting firm service, costs and recovery of costs shall be determined through a bilateral agreement between the Transmission Customer and the Generator. Voluntary changes to outage schedules under this Article 2.8.1.2 are separate from actions and compensation required under Article 3 and for which costs are recovered in accordance with Transmission Provider's applicable tariff or rate schedule.

**2.8.1.3 Outage Restoration** If an outage on either the Generator's or Transmission Owner's Interconnection Facilities or System Protection Facilities adversely affects a Party's operations or facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Parties, to the extent such information is known, information on the nature of the Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice to the other Parties explaining the nature of the outage.

## **2.8.2 Interruption of Service**

If required by Good Utility Practice to do so, Transmission Provider may require Generator to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 2.8.2:

**2.8.2.1** The interruption or reduction shall continue only for so long as reasonably necessary under Good Utility Practice;

**2.8.2.2** Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all Generating Facilities directly connected to the Transmission or Distribution System, as applicable;



**2.8.2.3** When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider shall notify Generator by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

**2.8.2.4** Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider shall notify Generator in advance regarding the timing of such scheduling and further notify Generator of the expected duration. Transmission Provider shall coordinate with the Generator using Good Utility Practice to schedule the interruption or reduction during periods of least impact to the Generator, Transmission Owner and the Transmission Provider;

**2.8.2.5** The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Generating Facility, Interconnection Facilities, and the Transmission or Distribution System, as applicable to their normal operating state, consistent with system conditions and Good Utility Practice.

### **2.8.3 Under-Frequency and Over-Frequency Conditions**

The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. Generator shall implement under-frequency and over-frequency relay set points for the Generating Facility as required by the Applicable Reliability Council to ensure "ride through" capability of the Transmission System. Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the Transmission Provider in accordance with Good Utility Practice. The term "ride through" as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice.

#### **2.8.4 Requirements for Protection**

In compliance with Good Utility Practice, Generator shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Generating Facility to any short circuit occurring on the Transmission or Distribution System, as applicable, not otherwise isolated by Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission or Distribution System, as applicable. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission or Distribution System, as applicable, at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Generator shall be responsible for protection of the Generating Facility and Generator's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Generator shall be solely responsible to disconnect the Generating Facility and Generator's other equipment if conditions on the Transmission or Distribution System, as applicable, could adversely affect the Generating Facility.

#### **2.8.5 Power Quality**

Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

### **2.9 Disturbance Analysis Data Exchange**

The Parties will cooperate with one another in the analysis of disturbances to either the Generating Facility or the Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

## **2.10 Maintenance**

### **2.10.1 Transmission Owner Obligations**

Transmission Owner shall maintain the Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA and all Applicable Laws and Regulations.

### **2.10.2 Generator Obligations**

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

### **2.10.2 Coordination**

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

### **2.10.3 Secondary Systems**

Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact another Party. Each Party shall provide advance notice to the other Parties before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

## **3.0 Emergency Condition Operating Requirements**

### **3.1 Obligations**

Each Party shall comply with the Emergency Condition procedures of the Transmission Provider, NERC, the Applicable Reliability Council, and Applicable Laws and Regulations.

### **3.2 Notice**

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

Generator shall notify Transmission Provider promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or the Generator's Interconnection Facilities that may reasonably be expected to affect the Transmission or Distribution System, as applicable, or the Transmission Owner's Interconnection Facilities.

To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Generator's or Transmission Provider's or Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

### **3.3 Immediate Action**

Unless, in Generator's reasonable judgment, immediate action is required, Generator shall obtain the consent of Transmission Provider, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or the Generator's Interconnection Facilities in response to an Emergency Condition either declared by the Transmission Provider or otherwise regarding the Transmission or Distribution System, as applicable.

### **3.4 Transmission Provider and Transmission Owner Authority**

#### **3.4.1 General**

Transmission Provider or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or the Transmission Owner's Interconnection Facilities it deems necessary during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Transmission System or the Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider or Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or the Generator's Interconnection Facilities. Transmission Provider or Transmission Owner may, on the basis of technical considerations, require the Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Generator to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 3.4.2; directing the Generator to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and the Generator's Interconnection Facilities. Generator shall comply with all of Transmission Provider's or Transmission Owner's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

### **3.4.2 Reduction and Disconnection**

Transmission Provider or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or the Generator's Interconnection Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of the Transmission Provider pursuant to the Tariff. When the Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall notify Generator of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider shall coordinate with the Generator and Transmission Owner using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to the Generator, Transmission Owner and the Transmission Provider. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

### **3.4.3 Compensation**

If Transmission Provider requests or directs Generator to provide a service pursuant to this Section 3.4, Transmission Provider shall compensate Generator in accordance with any tariff or rate schedule filed by the Transmission Provider and approved by the FERC.

### **3.5 Generator Authority**

Consistent with Good Utility Practice and these Operating Protocols, the Generator may take whatever actions or inactions with regard to the Generating Facility or the Generator's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or the Generator's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Generator shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and the Transmission Owner's Interconnection Facilities. Transmission Provider and Transmission Owner shall use Reasonable Efforts to assist Generator in such actions. Generator shall not be obligated to follow Transmission Provider's or Transmission Owner's instructions to the extent the instruction would have a material adverse impact on the safe and reliable operation of Generator's Generating Facility. Upon request, Generator shall provide Transmission Provider with documentation of any such alleged material adverse impact.

### **3.6 Limited Liability**

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

### **3.7 Audit**

In accordance with Article 4, any Party may audit the performance of another Party when that Party declared an Emergency Condition.

## **4.0 Audit Rights**

Generator and the Transmission Provider shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit each other's accounts and records pertaining to the performance and/or satisfaction of obligations arising under this Rate Schedule for the twenty-four (24) month period prior to commencement of the audit. Any audit authorized by this Section 4.0 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 rights and obligations set forth in this Rate Schedule.

Such audit rights shall include audits of the other Parties' costs or calculation of invoiced amounts. Any audit authorized by this Section 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 Rate Schedule.

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 to or from whom the overpayment or underpayment is owed, together with those records from the audit which support such determination.

## **5.0 Disputes**

### **5.1 Submission**

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Rate Schedule 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 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 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’s Tariff.

### **5.2 Rights under the Federal Power Act**

Nothing in this Section 5.0 shall restrict the rights of any Generator or the Transmission Provider to file a complaint with FERC under the relevant provisions of the Federal Power Act.

### **5.3 Equitable Remedies**

Nothing in this Section 5.0 shall prevent any Generator or the Transmission Provider from pursuing or seeking any equitable remedy available to it under Applicable Laws and Regulations, at any time, before a Governmental Authority.

## **Appendix 1 – Definitions**

“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.

“Applicable Reliability Council” shall mean the reliability council of NERC applicable to the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

“Control Area” shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council.

“Distribution System” shall mean the Transmission Owner’s facilities, or the Distribution System of another party that is interconnected with Transmission Owner’s Transmission System, and equipment, if any, connected to the Transmission System, over which facilities transmission service or Wholesale Distribution Service under the Tariff is available at the time the Interconnection Customer has requested interconnection of a Generating Facility for the purpose of either transmitting electric energy in interstate commerce or selling electric energy at wholesale in interstate commerce and which are used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among Control Areas and other entities owning distribution facilities interconnected to the Transmission System.

“Emergency Condition” shall mean a condition or situation: (1) that in the reasonable judgment of the Party making the claim is imminently likely to endanger, or is contributing to the endangerment of, life, property, or public health and safety; or (2) that, in the case of either Transmission Provider or Transmission Owner, 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, Transmission Owner’s Interconnection Facilities or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of



Generator, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Generator's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Generator is not obligated by this Rate Schedule to possess black start capability. Any condition or situation that results from lack of sufficient generating capacity to meet load requirements or that results solely from economic conditions shall not constitute an Emergency Condition, unless one of the enumerated conditions or situations identified in this definition also exists.

"Federal Holiday" shall mean a Federal Reserve Bank holiday for a Party that has its principal place of business in the United States and a Canadian Federal or Provincial banking holiday for a Party that has its principal place of business located in Canada.

"FERC" shall mean the Federal Energy Regulatory Commission or its successor.

"Generating Facility" shall mean Generator's device(s) for the production of electricity identified in Prior Agreements, but shall not include the Generator's Interconnection Facilities.

"Generator" shall mean entities responsible for operating and maintaining their respective Generating Facility and Generator's Interconnection Facilities reliably and safely when energized and operating in synchronism with the Transmission System and Transmission Owner's Interconnection System under the direction of the Transmission Provider and Operating Authorities, as applicable.

"Generator's Interconnection Facilities" shall mean all facilities and equipment, as identified in Prior Agreements, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment. Generator's Interconnection Facilities are sole use facilities except as established otherwise by Prior Agreements.

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

“Governmental Authority” shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Generator, Transmission Provider, Transmission Owner, or any Affiliate thereof.

“Interconnection Facilities” shall mean the Transmission Owner’s Interconnection Facilities and the Generator’s Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Transmission System.

“Midwest ISO Tariff” shall mean the open access transmission and energy markets tariff of the Midwest ISO, on file with FERC and in effect, as amended or superseded from time to time, under which transmission service is provided on the Transmission System.

“NERC” shall mean the North American Electric Reliability Council or its successor organization.

"Operating Authority(ies)" shall mean Transmission Owners, Control Area operators, or other entities responsible for the reliability and security of the Transmission System.

“Point of Change of Ownership” shall mean the point, as set forth in Prior Agreements, where the Generator’s Interconnection Facilities connect to the Transmission Owner’s Interconnection Facilities.

“Point of Interconnection” shall mean the point, as set forth in Prior Agreement, where the Generator’s Interconnection Facilities connect to the Transmission System or associated Distribution System or Transmission Owner’s Interconnection Facilities, as applicable.

“Party” or “Parties” shall mean Transmission Provider, Transmission Owner, Generator, or any combination of the above.

“Prior Agreement” shall mean any agreement entered into by Generating Facility and a Transmission Owner or Control Area Operator that provides interconnection and/or interconnected operating services to the Generating Facility and to which Transmission Provider is not a party.

“Reasonable Efforts” shall mean, with respect to an action required to be attempted or taken by a Party under this Rate Schedule, 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.

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

"Transmission Customer" shall be defined as set forth in the Midwest ISO Tariff.

“Transmission Owner” shall mean that Transmission Owner as defined in the Midwest ISO Tariff, which includes an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at which the Interconnection Customer proposes to interconnect or otherwise integrate the operation of the Generating Facility. Transmission Owner should be read to include any Independent Transmission Company that manages the transmission facilities of the 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 the Interconnection Customer requests Interconnection Service and to which the Interconnection Customer has requested interconnection of a Generating Facility for the purpose of either transmitting electric energy in interstate commerce or selling electric energy at wholesale in interstate commerce.

“Transmission Owner’s Interconnection Facilities” shall mean all facilities and equipment owned by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Prior Agreement, including any modifications, additions or upgrades to such facilities and equipment.

“Transmission Provider” shall mean the Midwest Independent Transmission System Operator, Inc. (the “Midwest ISO”), 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 Midwest ISO Tariff.

“Transmission Provider Region” shall mean the transmission system, Load and Generation Resources interconnected to the Transmission System that: (i) function as a centrally coordinated system and (ii) operate, subject to the single set of Dispatch Instructions determined and issued by the Transmission Provider.

“Transmission System” shall mean the facilities owned by the Transmission Owner and controlled or operated by the Transmission Provider and Transmission Owner that are used to provide transmission service or Wholesale Distribution Service under the Midwest ISO Tariff.

“Wholesale Distribution Service” shall have that meaning as provided in the Midwest ISO Tariff. Wherever the term “transmission delivery service” is used, Wholesale Distribution Service shall also be implied.

