



**STANDARD GENERATOR
INTERCONNECTION PROCEDURES (GIP)**

As Revised June 10, 2016

(Applicable to Generating Facilities
Connected to or Impacting the Transmission System
at Voltages of 69 kV and above)

As approved by the UARB June 10, 2016

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SECTION 1. DEFINITIONS

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

Affected System shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

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

Affiliate - for the purposes of these Standard Generator Interconnection Procedures, the term "affiliate" shall be interpreted in accordance with Sections 2(2), 2(3), and 2(4) of the Nova Scotia Companies Act¹.

1 Deemed affiliate

2(2) A company shall be deemed to be an affiliate of another company if one of them is the subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same person.

Deemed control

2(3) A company shall be deemed to be controlled by another person or by two or more companies if

- (a) voting securities of the first-mentioned company carrying more than fifty per cent of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of the other person or by or for the benefit of the other companies; and
- (b) the votes carried by such securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned company.

Deemed subsidiary

2(4) A company shall be deemed to be a subsidiary of another company if

- (a) it is controlled by
 - (i) that other, or
 - (ii) that other and one or more companies each of which is controlled by that other, or
 - (iii) two or more companies each of which is controlled by that other; or
- (b) it is a subsidiary of a company that is that other's subsidiary. R.S., c. 81, s. 2; 1990, c.15, s. 2.

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

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, provincial and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Applicable Reliability Council shall mean the Northeast Power Coordinating Council or any successor thereto.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected, and the NSPI Interconnection Guidelines and Standards as set out in Appendix D to this document.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the Transmission Provider or Interconnection Customer.

Board shall mean the Nova Scotia Utility and Review Board.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Standard Generator Interconnection and Operating Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Generator Interconnection and Operating Agreement.

Business Day shall mean Monday to Friday, inclusive, excluding holidays. The regular business hours on a Business Day are from 08:30 to 16:30 Atlantic Time.

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

Commercial Operation Date shall mean the date on which Interconnection Customer commences commercial operation of the unit at the Generating Facility after Trial Operation of such unit has been completed as confirmed in writing substantially in the form shown in Appendix E of the Standard Generator Interconnection and Operating Agreement.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, as well as any information relating to a Party's technology, research and development, business affairs and pricing whether such information is supplied prior to or after the execution of the GIA which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

Control Area shall mean an electric system or group of systems that meet(s) the requirements of the NPCC Control Area Certification Process.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Standard Generator Interconnection and Operating Agreement.

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

Distribution System shall mean the Transmission Provider's facilities and equipment used to distribute electricity to ultimate usage points such as homes and industries either directly from nearby generators or from interchanges from the Transmission System.

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

Effective Date shall mean the date on which the Standard Generator Interconnection and Operating Agreement becomes effective in accordance with Article 2.1 of the Standard Generator Interconnection and Operating Agreement.

Emergency Condition shall mean a condition or situation:

- (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or
- (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or
- (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Standard Generator Interconnection and Operating Agreement to possess black start capability.

Energy Resource Interconnection Service (ER Interconnection Service) shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for

the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

Force Majeure shall mean an event, condition, occurrence or circumstance beyond the reasonable control and not attributable to the fault or negligence of the Party claiming Force Majeure, which, despite all reasonable efforts at a reasonable cost of the Party claiming the Force Majeure to prevent its occurrence or mitigate its effects, causes a delay or disruption in the performance of any obligation (other than the obligation to pay monies due) imposed on such Party hereunder, including, without limitation, any act of God, labour disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment if caused by an event which would constitute Force Majeure, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control.

Generating Facility shall mean Interconnection Customer's device for the production of electricity for interconnection to the Transmission System at voltages 69 kV and above as identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

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

Good Utility Practice shall mean those practices, methods or acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America) that at a particular time, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with regulations, reliability, safety, environmental protection, economy and expedition as applied and practiced in the utility industry with respect to power generation, delivery, purchase and sale.

Governmental Authority shall mean any national, international, federal, provincial, state, municipal, county, regional or local government, organization or duly constituted authority having jurisdiction, and includes:

- (a) any department, commission, bureau, board, administrative agency or regulatory body of any government having jurisdiction; and
- (b) any person or corporation acting as an authorized agent thereof.

Grouped Study(ies) shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Impact Study.

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

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially electrically connected to, and energized by, the Transmission System and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean any entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect its Generating Facility with the Transmission Provider's Transmission System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Generator Interconnection and Operating Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System.

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

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider's Transmission System. The scope of the study is defined in Section 8 of the Standard Generator Interconnection Procedures.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 4 of the Standard Generator Interconnection Procedures for conducting the Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission Provider's Transmission System, the scope of which is described in Section 6 of the Standard Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Standard Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of (except for increases in capacity permitted by Section 2.6 of these Standard Generator Interconnection Procedures), or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Standard Generator Interconnection and Operating Agreement and, if applicable, the Transmission Provider's Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Interconnection System Impact Study, and the Interconnection Facilities Study described in the Standard Generator Interconnection Procedures.

Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Standard Generator Interconnection Procedures.

Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Standard Generator Interconnection Procedures for conducting the Interconnection System Impact Study.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customers and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Load Serving Entity shall mean one of the following:

- (i) Nova Scotia Power Inc. (NSPI), or
- (ii) a Nova Scotia municipal electric utility.

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

Market Participant shall mean a person who has executed a Participation Agreement with the Nova Scotia Power System Operator (NSPSO), and Nova Scotia Power Inc. itself as specified in the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules: Chapter 1.

Material Modification shall mean those modifications that have a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

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

Network Resource shall mean that portion of a Generating Facility that is integrated with the Transmission Provider's Transmission System, designated as a Network Resource pursuant to the terms of the Tariff, and subjected to redispatch directives as ordered by the Transmission Provider in accordance with the Tariff.

Network Resource Interconnection Service (NR Interconnection Service) shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission Provider's Transmission System

- (1) in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers; or
- (2) in an RTO or ISO with market based congestion management, in the same manner as Network Resources.

Network Resource Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Customer interconnects to the Transmission Provider's Transmission System to accommodate the interconnection of the Generating Facility to the Transmission Provider's Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Generator Interconnection and Operating Agreement or its performance.

Operating Area shall mean an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) maintain scheduled interchange with other Operating Areas, within the limits of Good Utility Practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

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

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 5 of the Standard Generator Interconnection Procedures for conducting the Optional Interconnection Study.

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

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Standard Generator Interconnection and Operating Agreement, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.

Progression Milestone(s) shall mean the prerequisite requirements required to enter the Interconnection System Impact Study stage, as itemized in Section 7.2.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is initially established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider, and as altered in accordance with Section 4.1 of the Standard Generator Interconnection Procedures.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Generator Interconnection and Operating 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.

Renewable Energy Standard shall have the meaning set out in Nova Scotia's Energy Standards Regulations or any successor legislation or regulations.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer and Transmission Provider conducted for the purpose of discussing alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, analyzing such information, and determining the potential feasible Points of Interconnection.

Site Control shall mean documentation reasonably demonstrating:

- (1) ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility; or
- (2) an option to purchase or acquire a leasehold site for the purpose of constructing the Generating Facility

Stand Alone Network Upgrades shall mean Network Upgrades that the Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Generator Interconnection and Operating Agreement.

Standard Generator Interconnection and Operating Agreement (GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility, that is included in the Transmission Provider's Tariff.

Standard Small Generator Interconnection and Operating Agreement (SSGIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility, that is interconnected to the Transmission Provider's Distribution System.

Standard Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect:

- (1) the Transmission System 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.

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

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Standard Generator Interconnection and Operating Agreement to the extent necessary.

Transmission Provider shall mean Nova Scotia Power, Inc.

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

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff.

Trial Operation shall mean the period during which Interconnection Customer is engaged in on-site test operations and commissioning of the Generating Facility prior to commercial operation.

SECTION 2. SCOPE AND APPLICATION

2.1 Application of Standard Generator Interconnection Procedures (GIP)

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Generating Facility. The GIP specifically applies when one of the following is proposed by an Interconnection Customer:

- (i) a new Generating Facility at a new Point of Interconnection to the Transmission System, or interconnecting to the Distribution System when such interconnection is anticipated to impact the Transmission System, or
- (ii) additional generation at an existing Point of Interconnection that does not meet the criteria set forth in Sections 2.6 (a) or (b), or
- (iii) an increase in the capacity of an existing Generating Facility that does not meet the criteria set forth in Sections 2.6 (a) or (b).

2.2 Comparability

The Transmission Provider shall process and analyze all Interconnection Requests it receives in a timely manner as set forth in this GIP. The Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.3 Base Case Data

Transmission Provider shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects and (ii) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.4 No Applicability to Transmission Service

Nothing in this GIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

2.5 Expedited Process for Small Generating Facilities

In assessing whether the interconnection process can be expedited, the Transmission Provider will consider the capacity of the Generation Facility, the Point of Interconnection requested, and the results of any previously completed System Impact Studies that may be relevant.

To expedite the process, the Transmission Provider will consider the following options:

- Forego the Interconnection Feasibility Study
- Combine the Interconnection System Impact Study and the Interconnection Facilities Study
- Eliminate the requirement for coordination with Affected Systems
- Modify the Interconnection System Impact Study scope to exclude stability analysis.

2.6 Procedures for Assessment of Proposed Non-Material Additions or Modifications

For purposes of determining whether or not a proposed addition or modification to a generation facility is to be deemed a new Interconnection Request and therefore subject to the GIP, the following shall apply:

- Any proposed generation project addition is presumed by the Transmission Provider to be a new Interconnection Request and therefore subject to the requirements the GIP.
- The Generating Facility owner may request, in writing, that the Transmission Provider waive the requirement for submission of a new Interconnection Request based on an assessment performed by the Transmission Provider of the impact of the proposed addition or modification on the Transmission System.

- The Transmission Provider will only assess requests that comply with the following:
 - a) Project Size: Capacity increase up to 10 % of the aggregate Generating Facility capacity, and
 - b) Point of Interconnection: The new request utilizes the Generating Facility's existing Point of Interconnection with the Transmission System.
- The cumulative increase of all previous additions made to an existing Generating Facility will be considered when assessing the size limit in a) above.
- Upon receipt of a request for assessment within the limits listed in a) and b) above, the Transmission Provider will consider potential system issues including: stability, voltage, power quality, thermal ratings and short circuit levels prior to waiving the requirement for a new Interconnection Request for the addition or modification.
- The Generating Facility shall provide additional technical information requested by the Transmission Provider.
- If in the sole judgment of the Transmission Provider the assessment of the addition or modification indicates no material impact, the requirement for a new Interconnection Request will be waived.
- The Transmission Provider shall use Reasonable Efforts to complete the assessment within thirty (30) Calendar Days.
- The Parties agree to subsequently amend the existing GIA, as applicable to reflect the addition of capacity or modification.

SECTION 3. INTERCONNECTION REQUESTS

3.1 General

An Interconnection Customer shall submit to the Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and a refundable deposit of \$15,000. The Transmission Provider shall apply the deposit toward the cost of an Interconnection Feasibility Study. The Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Identification of Types of Interconnection Services

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource (ER) Interconnection Service or Network Resource (NR) Interconnection Service, as described; provided, however, any Interconnection Customer requesting NR Interconnection Service may also request that it be concurrently studied as an ER Interconnection Service, up to the point when an Interconnection Facility Study Agreement is executed. Interconnection Customer may then elect to proceed with NR Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service (ER Interconnection Service)

3.2.1.1 The Product

ER Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. ER Interconnection Service does not in and of itself convey any transmission service.

3.2.1.2 The Study

The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service (NR Interconnection Service)

3.2.2.1 The Product

The Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility (1) in a manner comparable to that in which the Transmission Provider integrates its Generating Facilities to serve native load customers; or (2) in an ISO or RTO with market based congestion management, in the same manner as Network Resources. NR Interconnection Service Allows the Interconnection

Customer's Generating Facility to be designated as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study

The Interconnection Study for NR Interconnection Service shall assure that the Interconnection Customer's Generating Facility meets the requirements for NR Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with the Transmission Provider's Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on the Transmission Provider's Transmission System, consistent with the Transmission Provider's reliability criteria and procedures. This approach assumes that some portion of existing Network Resources are displaced by the output of the Interconnection Customer's Generating Facility. NR Interconnection Service in and of itself does not convey any transmission service. The Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by the Interconnection Customer, the Transmission Provider must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.3 Valid Interconnection Request

3.3.1 Initiating an Interconnection Request

To initiate an Interconnection Request, Interconnection Customer must submit all of the following:

- (i) a \$15,000 deposit per Section 3.1;
- (ii) a completed application in the form of Appendix 1;
- (iii) demonstration of ownership of, a leasehold interest in, a right to develop, or an option to purchase or acquire an interest in a land area equal to at least 50% of that required for the purpose of constructing the Generating Facility proposed or a posting of an additional deposit of \$20,000;
- (iv) a defined Point of Interconnection; and
- (v) a one-line diagram of the Generating Facility showing the proposed Interconnection Facilities and the Point of Interconnection.

The deposit provided pursuant to item (i) may, at the Interconnection Customer's option, be delivered by way of a certified cheque or bank draft.

Any deposit provided pursuant to item (iii) shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. Any deposit provided pursuant to item (iii) of this Section shall be refundable if the Interconnection Customer demonstrates ownership of, a leasehold interest in, a right to develop, or an option to purchase or acquire a land area equal to at least 50% of that required for the purpose of constructing the Generating Facility proposed no later than ten (10) Business Days after start date of the Interconnection System Impact Study or upon withdrawal of the Interconnection Request by either the Interconnection Customer or Transmission Provider before entry into the Interconnection System Impact Study stage; otherwise, all such deposit(s), additional and initial, become non-refundable.

The expected In-Service Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the

regional expansion planning period (or in the absence of a regional planning process, the process window for the Transmission Provider's expansion planning period) not to exceed seven (7) years from the date the Interconnection Request is received by the Transmission Provider, unless the Interconnection Customer demonstrates that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by the Transmission Provider by a period up to ten (10) years or longer where the Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment of Interconnection Request

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

3.3.3 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by the Transmission Provider. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, the Transmission Provider shall notify the Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide the Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to Interconnection Customer for the Scoping Meeting, and such date shall be no later than 30 Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider and Interconnection Customer will bring to the meeting such technical data, including, but not limited to:

- (i) general facility loadings,
- (ii) general instability issues,
- (iii) general short circuit issues,
- (iv) general voltage issues, and
- (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting.

Transmission Provider and Interconnection 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, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

3.4 OASIS Posting

The Transmission Provider will maintain on its OASIS a list of all valid Interconnection Requests. The list will identify, for each Interconnection Request:

- (i) the maximum summer and winter megawatt electrical output;
- (ii) the location by county;
- (iii) the station or transmission line or lines where the interconnection will be made;
- (iv) the projected In-Service Date;
- (v) the status of the Interconnection Request, including Queue Position;
- (vi) the type of Interconnection Service being requested; and
- (vii) the availability of any studies related to the Interconnection Request;
- (viii) the date of the Interconnection Request;
- (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and
- (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed.

Except in the case of an Affiliate of the Transmission Provider, the list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes a GIA or requests that the Transmission Provider file an unexecuted GIA with the Board. The Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to the Transmission Provider's OASIS site subsequent to the meeting between the Interconnection Customer and the Transmission Provider to discuss the applicable study results. The Transmission Provider shall also post any known deviations in the Generating Facility's In-Service Date.

3.5 Coordination with Affected Systems

The Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results in its applicable Interconnection Study within the time frame specified in this GIP. The Transmission Provider will include such Affected System Operators in all meetings held with the Interconnection Customer as required by this GIP. The Interconnection Customer will cooperate with the Transmission

Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider, which may be an Affected System, shall cooperate with the Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal

The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the Transmission Provider. In addition, if the Interconnection Customer fails to adhere to all requirements of this GIP, except as provided in Section 13.5 (Disputes), the Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify the Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of the Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the Interconnection Customer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to the Transmission Provider all costs that the Transmission Provider prudently incurs with respect to that Interconnection Request prior to the Transmission Provider's receipt of notice described above and, if such withdrawal occurs following the expiration of the transition periods specified in Section 5.1, all costs associated with subsequent re-studies of lower queued projects deemed necessary by the Transmission Provider as a result of the withdrawal of the Interconnection Request. Upon withdrawal, the Transmission Provider shall retain all deposits previously provided by the Interconnection Customer with respect to the Interconnection Request, to be applied towards costs incurred by the Transmission Provider, to conduct re-studies of lower queued

projects deemed necessary as a result of the withdrawal of the Interconnection Request. The withdrawn Interconnection Customer shall pay to the Transmission Provider all re-study costs that exceed the deposits previously provided. If the Transmission Provider, using Reasonable Efforts, is unable to obtain payment from the withdrawn Interconnection Customer, it shall charge the applicable lower-queued Interconnection Customer the re-study costs incurred with respect to that Interconnection Request that are in excess of the deposit amount.

If an Interconnection Customer withdraws its Interconnection Request within 30 days following the effective date of these revised Standard Generator Interconnection Procedures, the withdrawing Interconnection Customer shall not be responsible for any costs of re-studies of lower queued Interconnection Requests deemed necessary by the Transmission Provider as a result of the withdrawal of the Interconnection Request and instead the Interconnection Customer of the applicable lower-queued Interconnection Request or Requests shall be so responsible.

The Interconnection Customer must pay all monies due to the Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

The Transmission Provider shall

- (i) update the OASIS Queue Position posting; and
- (ii) refund to the Interconnection Customer any portion of the Interconnection Customer's deposits, study or re-study payments that exceed the costs that the Transmission Provider has incurred, including interest. Any applicable refund will be made upon completion of all required re-studies, or upon the determination by the Transmission Provider that there are no material impacts to lower-queued Interconnection Requests as a result of such withdrawal. In the event of such withdrawal, the Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that the Transmission

Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

SECTION 4. QUEUE POSITION

4.1 General

The Transmission Provider shall assign an initial Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Interconnection Customer provides such information in accordance with Section 3.3.3, then the Transmission Provider shall assign the Interconnection Customer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section 4.4.3.

The initial Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Feasibility Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request except in the case of common facilities required for two or more Interconnection Requests examined together under a Grouped Study. A higher queued Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

The initial Queue Position shall be reassigned for an Interconnection Request as it proceeds through the Generator Interconnection Procedures under the following circumstance which allows lower queued requests to advance in the queue order:

- (i) the Interconnection Customer demonstrates to the Transmission Provider that, at any time following completion of the Interconnection Feasibility Study, all required Progression Milestones for the Interconnection System Impact Study stage have been met for the respective Interconnection Request prior to the Interconnection System Impact Study stage commencement date established in advance by the Transmission Provider.

The resulting Queue Position is based on the date and time of the demonstration of achievement of the final Interconnection System Impact Study stage Progression Milestone for the Interconnection Request by the Interconnection Customer, and a prioritized Queue Position is established on this basis.

Should the Interconnection Request not proceed to the Interconnection System Impact Study stage within two (2) years from i) the date of the valid Interconnection Request or ii) the effective date of this revised GIP, whichever is the later, the Transmission Provider shall deem the Interconnection Request to be withdrawn.

4.2 Study Grouping

At Transmission Provider's option, Interconnection Requests may be studied serially or in groups for the purpose of the Interconnection System Impact Study.

Grouping shall be implemented on the basis of Queue Position, except when a particular Interconnection Request is sufficiently electrically remote from others that it cannot reasonably be grouped with other Interconnection Requests. At the discretion of the Transmission Provider, requests may be studied together without regard to the nature of the underlying Interconnection Service, whether ER Interconnection Service or NR Interconnection Service. Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility.

Grouped Interconnection System Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study.

4.3 Transferability of Queue Position

An Interconnection Customer may transfer its Queue Position to another entity only if such entity acquires the specific Generating Facility identified in the Interconnection Request and the Point of Interconnection does not change.

4.4 Modifications

The Interconnection Customer shall submit to the Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. The Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2 or 4.4.5, or are determined not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 6.4, Section 7.6 and Section 8.5 as applicable and Interconnection Customer shall retain its Queue Position.

4.4.1 Prior to the return of the executed Interconnection System Impact Study Agreement to the Transmission Provider, modifications permitted under this Section shall include specifically:

- (a) a reduction up to 60 percent (MW) of electrical output of the proposed project as submitted in the original Interconnection Request;

- (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and
- (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to the Transmission Provider, the modifications permitted under this Section shall include specifically:

- (a) additional 15 percent decrease in plant size (MW) from the amount identified in Section 7.2 (v), and
- (b) Generating Facility technical parameters associated with modifications to Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

4.4.3 Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that the Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, the Transmission Provider shall evaluate the proposed modifications prior to making them and inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

- 4.4.4** Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, the Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the Transmission Provider commence such studies later than 30 Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost.
- 4.4.5** Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing.

**SECTION 5. TRANSITION PROCEDURES FOR INTERCONNECTION
REQUESTS SUBMITTED PRIOR TO EFFECTIVE DATE OF THE
REVISED STANDARD GENERATOR INTERCONNECTION
PROCEDURES.**

5.1 Transition Requirements

5.1.1 Any Interconnection Customer assigned a Queue Position prior to the effective date of this revised GIP shall retain that Queue Position, provided they meet the requirements of this Section 5.1. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 All Interconnection Requests for which Interconnection Facilities Study Agreements have been executed and deposits provided prior to the effective date of this revised GIP, including those with Facilities Studies in progress and in Generator Interconnection Agreement negotiation, will not be required to conform with the deposits and requirements of Section 8.1 of this revised GIP.

5.1.1.2 Interconnection Requests that have an executed Interconnection System Impact Study Agreement prior to the effective date of this revised GIP will be required to conform fully to the requirements of Section 7.2 of this revised GIP prior to entry to the Interconnection System Impact Study stage. This applies to Interconnection Requests which, on the effective date of this revised GIP, have an Interconnection System Impact Study in progress and those for which the Interconnection System Impact Study has not been started.

5.1.1.3 Interconnection Requests that have an executed Interconnection Feasibility Study Agreement prior to the effective date of this revised GIP will be required to conform to the requirements of Section 6.1 prior to

commencement or re-commencement of the Interconnection Feasibility Study. This applies to Interconnection Requests which, on the effective date of this revised GIP, have an Interconnection Feasibility Study in progress and those for which the Interconnection Feasibility Study has not been started. Within thirty (30) Calendar Days after the effective date of this revised GIP, such Interconnection Requests shall be revised and re-submitted by the Interconnection Customer in conformance with all deposits and data requirements of Section 3.3.1 of this revised GIP.

5.1.1.4 All Interconnection Requests that have not executed either an Interconnection Feasibility Study Agreement or an Interconnection System Impact Study Agreement prior to the effective date of this revised GIP will be required to conform fully to the requirements of this revised GIP. Within thirty (30) Calendar Days after the effective date of this revised GIP, such Interconnection Requests shall be revised and re-submitted by the Interconnection Customer in conformance with all deposit and data requirements of Section 3.3.1 of this revised GIP.

5.2 New Transmission Provider

If the Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this GIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If the Transmission Provider has tendered a draft GIA to the Interconnection Customer but the Interconnection Customer has not executed the GIA or requested the filing of an unexecuted GIA with the Board, unless otherwise provided, the Interconnection Customer may elect to complete

negotiations with the Transmission Provider or the successor Transmission Provider.

SECTION 6. INTERCONNECTION FEASIBILITY STUDY

6.1 Interconnection Feasibility Study Agreement

Simultaneously with the acknowledgement of a valid Interconnection Request the Transmission Provider shall provide to Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following the Transmission Provider's receipt of such designation, Transmission Provider shall tender to Interconnection Customer two copies of the Interconnection Feasibility Study Agreement, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. The Interconnection Customer shall execute and deliver to the Transmission Provider the Interconnection Feasibility Study Agreement no later than 30 Calendar Days after its receipt. The Transmission Provider shall execute the Interconnection Feasibility Study Agreement and deliver a fully executed copy to the Interconnection Customer.

On or before the return of the executed Interconnection Feasibility Study Agreement to the Transmission Provider, the Interconnection Customer shall provide the technical data called for in Appendix 1, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-studies shall be completed pursuant to Section 6.4 as applicable. For the purpose of this Section 6.1, if the Transmission Provider and Interconnection Customer cannot agree on the substituted Point

of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

If Interconnection Customer and Transmission Provider agree to forgo the Interconnection Feasibility Study, Transmission Provider will initiate an Interconnection System Impact Study under Section 7 of this GIP and apply the \$15,000 deposit towards the Interconnection System Impact Study.

6.2 Scope of Interconnection Feasibility Study

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the Transmission System.

The Interconnection Feasibility Study will consider the Base Case as well as all Generating Facilities (and with respect to (iii), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the Transmission System or Distribution System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request, to the extent their studies are completed; (iii) have established a pending higher queued Interconnection Request to interconnect to the Transmission System by virtue of having met the required Interconnection System Impact Study stage Progression Milestones listed in Section 7.2 or the Interconnection Facilities Study requirements of Section 8.1; and iv) have no Queue Position but have executed a GIA (or a Standard Small Generator Interconnection Agreement) or requested that an unexecuted GIA be filed with the Board. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis. The Interconnection Feasibility Study will provide a list of facilities and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

6.3 Interconnection Feasibility Study Procedures

The Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. The Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than forty-five (45) Calendar Days after the Transmission Provider receives the fully executed Interconnection Feasibility Study Agreement. At the request of the Interconnection Customer or at any time the Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Feasibility Study, Transmission Provider shall notify the Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If the Transmission Provider is unable to complete the Interconnection Feasibility Study within that time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the Transmission Provider shall provide the Interconnection Customer supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section 13.1.

6.3.1 Meeting with Transmission Provider

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Feasibility Study.

6.4 Re-Study

If re-study of the Interconnection Feasibility Study is required due to a higher queued project, which has established a pending higher queued Interconnection Request to interconnect to the Transmission System by virtue of having met the required Interconnection System Impact Study stage Progression Milestones listed in Section 7.2 or the Interconnection Facilities Study requirements of Section 8.1, dropping out of the queue, or a modification of such higher queued project subject to Section 4.4, Transmission Provider shall notify Interconnection Customer in writing. Such re-study shall take not longer than forty-five (45) Calendar Days from the date of the notice.

An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6, modifies its Interconnection Request subject to Section 4.4, or re-designates the Point of Interconnection pursuant to Section 6.1 shall pay to the Transmission Provider all costs that the Transmission Provider prudently incurs with respect to subsequent re-studies of the Interconnection Customer's Interconnection Request deemed necessary by the Transmission Provider due to these events. The Transmission Provider shall retain all applicable deposits previously provided by the Interconnection Customer with respect to the Interconnection Request, to be applied towards costs incurred by the Transmission Provider, to conduct the re-studies it deems necessary. The Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6, modifies its Interconnection Request subject to Section 4.4, or re-designates the Point of Interconnection pursuant to Section 6.1, shall also pay to the Transmission Provider any re-study cost amounts that exceed the deposits previously provided.

SECTION 7. INTERCONNECTION SYSTEM IMPACT STUDY

7.1 Interconnection System Impact Study Agreement

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to the Interconnection Customer, the Transmission Provider shall provide to the Interconnection Customer an Interconnection System Impact Study Agreement in the form of Appendix 3 to this GIP. The Interconnection System Impact Study Agreement shall provide that the Interconnection Customer shall compensate the Transmission Provider for the actual cost of the Interconnection System Impact Study. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, the Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection System Impact Study.

7.2 Execution of Interconnection System Impact Study Agreement

The Interconnection Customer shall execute two copies of the Interconnection System Impact Study Agreement and deliver both copies of the executed Interconnection System Impact Study Agreement to the Transmission Provider no later than 30 Calendar Days after its receipt along with deposits in the amount listed as follows:

<u>Project Capacity:</u>	<u>SIS Deposit</u>	<u>plus Re-Study Deposit</u>
Does not exceed 20 MW:	\$ 50,000	\$100,000
Exceeds 20 MW but does not exceed 50MW:	\$ 75,000	\$150,000
Exceeds 50 MW but does not exceed 150MW:	\$100,000	\$200,000
Exceeds 150 MW:	\$150,000	\$300,000

The Interconnection System Impact Study deposit may, at the Interconnection Customer’s option, be delivered by way of a certified cheque or bank draft. The associated re-study deposit may, at the Interconnection Customer’s option, be delivered by way of a certified cheque or bank draft or by way of a letter of credit or some other form of security reasonably

acceptable to the Transmission Provider; provided, however, that any such letter of credit or security must be in a form and issued by a party reasonably acceptable to the Transmission Provider and consistent with the applicable laws of Nova Scotia.

The Transmission Provider shall execute the Interconnection System Impact Study Agreement and deliver a fully executed copy to the Interconnection Customer.

To be eligible for inclusion in the Interconnection System Impact Study stage, and thereby advance the Interconnection Request's initial Queue Position, the following designated Progression Milestones must be met by the Interconnection Customer at least ten (10) Business Days prior to the Interconnection System Impact Study commencement date:

- (i) provision of a detailed stability model for the generator(s)
- (ii) provision of a completed Attachment A to Appendix 1;
- (iii) confirmation of the Point of Interconnection;
- (iv) provision of a one-line diagram showing the Generating Facility and associated electrical equipment with appropriate rating and impedance information;
- (v) confirmation of generation MW output;
- (vi) re-validation of Site Control provided in accordance with Section 3.3.1, provided further that, if Interconnection Customer provided \$20,000 deposit in-lieu of Site Control with Interconnection Request then the deposit becomes non-refundable ten (10) Business Days after the start date of the Interconnection System Impact Study stage; and
- (vii) any one of the following at the Interconnection Customer's discretion:
 - a. confirmation of the existence of an executed contract for sale of energy from the generating facility for at least 50% of the generation project capability;
 - b. confirmation of a long-term transmission service reservation made with a duration of at least one (1) year, for at least 50% of the project capacity, held by the Interconnection Customer directly or under contract with another Nova Scotia Market Participant that holds the transmission reservation;
 - c. demonstration of approval by the Nova Scotia Utility and Review Board for the expenditures necessary for the Generating Facility;
 - d. demonstration by a Load Serving Entity that the project's energy or capacity has been identified as required to meet demand, reliability or Renewable Energy Standard requirements; or

- e. demonstration by the Interconnection Customer to the satisfaction of the Transmission Provider that the Interconnection Customer is a retail supplier pursuant to the *Electricity Act*, S.N.S 2004, c. 25.

If the Interconnection Customer does not provide all required technical data when it delivers the Interconnection System Impact Study Agreement, the Transmission Provider shall notify the Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Impact Study Agreement and the Interconnection Customer shall cure the deficiency within five (5) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Impact Study Agreement or deposit, or demonstration of Progression Milestone achievement.

If the Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 7.6 as applicable. For the purpose of this Section 7.2, if the Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

Upon receipt of the Interconnection System Impact Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study.

7.3 Scope of Interconnection System Impact Study

The Interconnection System Impact Study shall evaluate the impact of the proposed

interconnection on the reliability of the Transmission System. The Interconnection System Impact Study will consider the Base Case as well as all Generating Facilities (and with respect to (iii) and (iv) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System or Distribution System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request, to the extent their studies are completed;
- (iii) have established a pending higher queued Interconnection Request to interconnect to the Transmission System by virtue of: a) having met the required Interconnection System Impact Study stage Progression Milestones listed in Section 7.2 or the Interconnection Facilities Study requirements of Section 8.1; or b) transitioning per Section 5.1.1.1; and
- (iv) have executed or are negotiating a GIA (or a Standard Small Generator Interconnection Agreement) or have requested that an unexecuted GIA be filed with the Board.

The Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.4 Interconnection System Impact Study Procedures

The Transmission Provider shall coordinate the Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. The Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. The Transmission Provider shall use Reasonable Efforts to complete the Interconnection System Impact Study within 120 Calendar Days after Interconnection System Impact Study commencement date.

At the request of the Interconnection Customer or at any time the Transmission Provider determines that it will not meet the required time frame for completing the Interconnection System Impact Study, Transmission Provider shall notify the Interconnection Customer as to the schedule status of the Interconnection System Impact Study. If the Transmission Provider is unable to complete the Interconnection System Impact Study within the time period, it shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Interconnection System Impact Studies that are not completed by the end of the 120 calendar day study period will continue and will retain their Queue position within the subsequent study group. Upon request, the Transmission Provider shall provide the Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

The Transmission Provider will post to its OASIS, an annual calendar showing the planned commencement dates for Interconnection System Impact Study groups.

7.5 Meeting with Transmission Provider

Within ten (10) Business Days of providing an Interconnection System Impact Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection System Impact Study.

7.6 Re-Study

If re-study of the Interconnection System Impact Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to 4.4, or re-designation of the Point of Interconnection pursuant to Section 7.2 Transmission Provider shall notify Interconnection Customer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice.

An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6, modifies its Interconnection Request subject to Section 4.4, or re-designates the Point of Interconnection pursuant to Section 7.2 shall pay to the Transmission Provider all costs that the Transmission Provider prudently incurs with respect to subsequent re-studies of the Interconnection Customer's or any lower-queued Interconnection Request deemed necessary by the Transmission Provider due to these events. The Transmission Provider shall retain all applicable deposits previously provided by the Interconnection Customer with respect to the Interconnection Request, to be applied towards costs incurred by the Transmission Provider, to conduct the re-studies it deems necessary. The Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6, modifies its Interconnection Request subject to Section 4.4, or re-designates the Point of Interconnection pursuant to Section 7.2, shall also pay to the Transmission Provider any re-study cost amounts that exceed the deposits previously provided. If the Transmission Provider, using Reasonable Efforts, is unable to obtain payment from the Interconnection Customer, it shall charge the lower-queued, re-studied Interconnection Customer the re-study costs incurred with respect to that Interconnection Request that are in excess of the deposit amount held by the Transmission Provider.

SECTION 8. INTERCONNECTION FACILITIES STUDY

8.1 Interconnection Facilities Study Agreement

Simultaneously with the delivery of the Interconnection System Impact Study to the Interconnection Customer, the Transmission Provider shall provide to the Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this GIP. The Interconnection Facilities Study Agreement shall provide that the Interconnection Customer shall compensate the Transmission Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Interconnection System Impact Study results meeting, the Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. The Interconnection Customer shall execute two copies of the Interconnection Facilities Study Agreement and deliver both copies of the executed Interconnection Facilities Study Agreement to the Transmission Provider within 30 Calendar Days after its receipt, together with the required technical data, confirmation of the definitive generation MW output and deposits in the amount listed as follows:

<u>Project Capacity:</u>	<u>Facilities Study Deposit plus Re-Study Deposit</u>	
Does not exceed 20 MW:	\$ 25,000	\$25,000
Exceeds 20 MW but does not exceed 150MW:	\$50,000	\$50,000
Exceeds 150 MW:	\$75,000	\$75,000

The Interconnection Facilities Study deposit may, at the Interconnection Customer’s option, be delivered by way of a certified cheque or bank draft. The associated re-study deposit may, at the Interconnection Customer’s option, be delivered by way of a certified cheque or bank draft or by way of a letter of credit or some other form of security reasonably acceptable to the Transmission Provider; provided, however, that any such letter of credit or security must be in a form and issued by a party reasonably acceptable to the Transmission Provider and consistent with the applicable laws of Nova Scotia.

The Transmission Provider shall execute the Interconnection Facilities Study Agreement and deliver a fully executed copy to the Interconnection Customer.

8.1.1 Upon receipt of the Interconnection Facilities Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study.

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

8.2 Scope of Interconnection Facilities Study

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

8.3 Interconnection Facilities Study Procedures

The Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. The Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. The Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to the Interconnection Customer within 120 days, with a +/- 10 percent cost estimate, after the receipt of the Interconnection System

Impact Study Agreement, study deposits, all required technical data, and confirmation of the definitive generation MW output.

At the request of the Interconnection Customer or at any time the Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify the Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If the Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, it shall notify the Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

The Interconnection Customer may, within 30 Calendar Days after receipt of the draft report, provide written comments to the Transmission Provider, which the Transmission Provider shall include in the final report. The Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving the Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. The Transmission Provider may reasonably extend such fifteen-day period upon notice to the Interconnection Customer if the Interconnection Customer's comments require the Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, the Transmission Provider shall provide the Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.4 Meeting with Transmission Provider

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.5 Re-Study

If re-study of the Interconnection Facilities Study is required due to a higher queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice.

An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6 or modifies its Interconnection Request subject to Section 4.4 shall pay to the Transmission Provider all costs that the Transmission Provider prudently incurs with respect to subsequent re-studies of the Interconnection Customer's or any lower-queued Interconnection Request deemed necessary by the Transmission Provider due to these events. The Transmission Provider shall retain all applicable deposits previously provided by the Interconnection Customer with respect to the Interconnection Request, to be applied towards costs incurred by the Transmission Provider, to conduct the re-studies it deems necessary. The Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request per Section 3.6 or modifies its Interconnection Request subject to Section 4.4 shall also pay to the Transmission Provider any re-study cost amounts that exceed the deposits previously provided. If the Transmission Provider, using Reasonable Efforts, is unable to obtain payment from the Interconnection Customer, it shall charge the lower-queued, re-studied Interconnection Customer the re-study costs incurred with respect to that Interconnection Request that are in excess of the deposit amount held by the Transmission Provider.

SECTION 9. ENGINEERING & PROCUREMENT (E&P) AGREEMENT

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Provider shall offer the Interconnection Customer, an E&P Agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the Transmission Provider shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Queue Position or In-Service Date. The E&P Agreement shall provide for the Interconnection Customer to pay the cost of all activities authorized by the Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

The Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Provider may elect:

- (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or
- (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

SECTION 10. OPTIONAL INTERCONNECTION STUDY

10.1 Optional Interconnection Study Agreement

At any time after completion of the Interconnection Feasibility Study, or upon agreement to forego the Interconnection Feasibility Study in accordance with Section 6.1, the Interconnection Customer may request, and the Transmission Provider shall perform a reasonable number of Optional Studies. The request shall describe the assumptions that the Interconnection Customer wishes the Transmission Provider to study within the scope described in Section 10.2. Within ten (10) Business Days after receipt of a request for an Optional Interconnection Study, the Transmission Provider shall provide to the Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 5.

The Optional Interconnection Study Agreement shall:

- (i) specify the technical data that the Interconnection Customer must provide for each stage of the Optional Interconnection Study,
- (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions as to the type of interconnection service for Interconnection Requests remaining in the Optional Interconnection Study case, and
- (iii) provide the Transmission Provider's estimate of the cost of the Optional Interconnection Study.

To the extent known by the Transmission Provider, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, the Transmission Provider shall not be required as a result of an Optional Interconnection Study request to conduct any

additional Interconnection Studies or delay the completion of Interconnection Studies with respect to any other Interconnection Request.

The Interconnection Customer shall execute two copies of the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver both copies of the Optional Interconnection Study Agreement, the technical data and a \$50,000 deposit to the Transmission Provider.

The deposit may, at the Interconnection Customer's option, be delivered by way of a certified cheque or bank draft.

The Transmission Provider shall execute the Optional Interconnection Study Agreement and deliver a fully executed copy to the Interconnection Customer.

10.2 Scope of Optional Interconnection Study

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

10.3 Optional Interconnection Study Procedures

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to the Transmission Provider within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study

Agreement. The Transmission Provider shall complete the Optional Interconnection Study on a best efforts basis after allocating available study resources to non-Optional Interconnection Studies and will use Reasonable Efforts to complete the study within the time period specified in the Optional Interconnection Study Agreement. Any difference between the study payment and the actual cost of the study shall be paid to the Transmission Provider or refunded to the Interconnection Customer, as appropriate. Upon request, the Transmission Provider shall provide the Interconnection Customer supporting documentation and work papers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

SECTION 11. STANDARD GENERATOR INTERCONNECTION AGREEMENT (GIA)

11.1 Tender

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study Report within thirty (30) Calendar Days of receipt of the report. Within fifteen (15) Business Days after the comments are submitted, Transmission Provider shall tender the final Interconnection Facilities Study Report and a draft GIA, together with draft appendices completed to the extent practical. The draft GIA shall be in the form of the Transmission Provider's Board-approved standard form GIA, which is in Appendix 6. Interconnection Customer shall return the completed draft appendices within thirty (30) Calendar Days.

11.2 Negotiation

Notwithstanding Section 11.1, at the request of the Interconnection Customer the Transmission Provider shall begin negotiations with the Interconnection Customer concerning the appendices to the GIA at any time after the Interconnection Customer executes the Interconnection Facilities Study Agreement. The Transmission Provider and the Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. The Transmission Provider shall provide to the Interconnection Customer a final GIA with completed appendices for the purposes of execution within fifteen (15) Calendar Days after the completion of the negotiation process.

If the Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations and request submission of the unexecuted GIA with the Board for review and approval or initiate Dispute Resolution procedures pursuant to Section 13.5. If the Interconnection Customer requests termination of the negotiations, but within fifteen (15) Calendar Days thereafter either fails to request the filing of the unexecuted GIA with the Board or to initiate Dispute Resolution procedures pursuant to Section 13.5, it shall be deemed to have withdrawn its Interconnection Request.

Unless otherwise agreed by the Parties in writing, if, within ninety (90) Calendar Days of tender of the final Interconnection Facilities Study Report, the Interconnection Customer has not:

- a) executed the GIA;
- b) requested filing of an unexecuted GIA with the Board for review and approval; or
- c) initiated Dispute Resolution procedures pursuant to Section 13.5

it shall be deemed to have withdrawn its Interconnection Request.

11.3 Execution and Filing

Within fifteen (15) Calendar Days after receipt of the final GIA, the Interconnection Customer shall provide the Transmission Provider (a) reasonable evidence of continued Site Control or (b) posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer shall provide: i) demonstration that major equipment, i.e. generators, interconnection power transformers have been ordered for the Generating Facility, and ii) a deposit or Letter of Credit acceptable to the Transmission Provider in an amount equal to the estimated Network Upgrade Costs identified in the Interconnection Facilities Study. The Interconnection Customer shall also either: (i) execute two originals of the tendered GIA and return them to the Transmission Provider; or (ii) request in writing that the Transmission Provider file with the Board a GIA in unexecuted form.

As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered GIA (if it does not conform with Board-approved standard form of GIA) or the request to file an unexecuted GIA, the Transmission Provider shall file the GIA with the Board, together with its explanation of any matters as to which the Interconnection Customer and the Transmission Provider disagree and support for the costs that the Transmission Provider proposes to charge to the Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by the Transmission Provider for the Interconnection Request. If the Parties agree to proceed with

design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed pending Board action.

11.4 Commencement of Interconnection Activities

If the Interconnection Customer executes the final GIA, the Transmission Provider and the Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by the Board. Upon submission of an unexecuted GIA, both Interconnection Customer and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by the Board.

SECTION 12. CONSTRUCTION OF TRANSMISSION PROVIDER'S INTERCONNECTION FACILITIES AND NETWORK UPGRADES.

12.1 Schedule

The Transmission Provider and the Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of the Transmission Provider's Interconnection Facilities and the Network Upgrades.

12.2 Construction Sequencing

12.2.1 General

In general, the In-Service Date of an Interconnection Customers seeking interconnection to the Transmission System will determine the sequence of construction of Network Upgrades.

12.2.2 Advance Construction of Network Upgrades that are an Obligation of an Entity other than the Interconnection Customer

An Interconnection Customer with a GIA, in order to maintain its In-Service Date, may request that the Transmission Provider advance to the extent necessary the completion of Network Upgrades that:

- (i) were assumed in the Interconnection Studies for such Interconnection Customer,
- (ii) are necessary to support such In-Service Date, and
- (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than the Interconnection Customer that is

seeking interconnection to the Transmission System, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that the Interconnection Customer commits to pay Transmission Provider:

- (i) any associated expediting costs and
- (ii) the cost of such Network Upgrades.

The Transmission Provider will refund to the Interconnection Customer both the expediting costs and the cost of Network Upgrades, in accordance with Article 11.4 of the GIA. Consequently, the entity with a contractual obligation to construct such Network Upgrades shall be obligated to pay only that portion of the costs of the Network Upgrades that Transmission Provider has not refunded to the Interconnection 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. The Transmission Provider shall forward to the Interconnection Customer the amount paid by the entity with a contractual obligation to construct the Network Upgrades as payment in full for the outstanding balance owed to the Interconnection Customer. The Transmission Provider then shall refund to that entity the amount that it paid for the Network Upgrades, in accordance with Article 11.4 of the GIA

12.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Transmission Provider

An Interconnection Customer with a GIA, in order to maintain its In-Service Date, may request that the Transmission Provider advance to the extent necessary the completion of Network Upgrades that:

- (i) are necessary to support such In-Service Date and

- (ii) would otherwise not be completed, pursuant to an expansion plan of the Transmission Provider, in time to support such In-Service Date.

Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that the Interconnection Customer commits to pay Transmission Provider any associated expediting costs. The Interconnection Customer shall be entitled to transmission credits, if any, for any expediting costs paid.

12.2.4 Amended Interconnection System Impact Study

An Interconnection System Impact Study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Generating Facilities that are expected to be in service on or before the requested In-Service Date.

SECTION 13. MISCELLANEOUS.

13.1 Confidentiality

A Party providing Confidential Information shall notify, either orally or in writing, the Party receiving the information, that the information provided is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that Confidential Information warrants confidential treatment, Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

13.1.1 Scope

Confidential Information shall not include information that the receiving Party can demonstrate:

- (1) is generally available to the public other than as a result of a disclosure by the receiving Party;
- (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party;
- (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential;
- (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party;
- (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the GIA; or

- (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the GIA.

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

13.1.2 Release of Confidential Information

Neither Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any subsequent release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care

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

13.1.6 Order of Disclosure

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the GIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

13.1.7 Remedies

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

13.1.8 Disclosure to the Board or its Staff

Notwithstanding anything in this Section 13.1 to the contrary if the Board or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the GIP, the Party shall provide the requested information to the Board or its staff, within the time provided for in the request for information. In providing the information to the Board or its staff, the Party must, request that the information be treated as confidential and non-public by the Board and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to the Board or its staff. The Party shall notify the other Party to the GIA when its is notified by the Board or its staff that a request to release Confidential Information has been received by the Board, at which time either of the Parties may respond before such information would be made public.

13.1.9 Subject to the exception in Sections 13.1.2 and 13.1.8, any information that a Party claims is Confidential Information shall not be disclosed by the other Party to any person not employed or retained by the other 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 other Party, such consent not to be unreasonably withheld; or
- (iv) necessary to fulfill its obligations under this GIP or as a transmission service provider or an Operating Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group.

A Party providing Confidential Information shall notify, either orally or in writing, the Party receiving the information, that the information provided is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

13.1.11 The Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility

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

13.3 Obligation for Study Costs

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within 30 Calendar Days of receipt of an invoice therefore. The Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

In the event that a re-study deposit paid by the Interconnection Customer has been utilized by the Transmission Provider to conduct re-studies it deems necessary, the Transmission Provider shall provide a detailed and itemized accounting to the Interconnection Customer regarding the use of such re-study deposit. Any refunds of the Interconnection Customer's re-study deposits will be made upon completion of all required re-studies per Sections 6.4, 7.6 and 8.5, or upon the determination, by the Transmission Provider, that there are no material impacts to lower-queued interconnection requests as a result of withdrawal per Section 3.6, Modification per Section 4.4, re-designation of the Point of Interconnection per Section 6.1 or 7.2 for the applicable Interconnection Request. Refunds will be made to the Interconnection Customer, in the amount that the Interconnection Customer's study or re-study deposit payments exceeds the costs the Transmission Provider has incurred to conduct

all required re-studies per Sections 6.4, 7.6 and 8.5. Where the Transmission Provider has determined that there are no material impacts to lower-queued interconnection requests as a result of withdrawal per Section 3.6, Modification per Section 4.4, re-designation of the Point of Interconnection per Section 6.1 or 7.2 for the applicable Interconnection Request, all unused deposits that have been paid by the Interconnection Customer shall be accounted for and/or refunded no later than 30 Calendar Days following the execution of a GIA by the Interconnection Customer.

In any event, all deposits that have been paid by the Interconnection Customer shall be accounted for and/or refunded within a reasonable period from the final withdrawal of the Interconnection Customer's Interconnection Request from the interconnection queue.

13.4 Third Parties Conducting Studies

If

- (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study,
- (ii) the Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.3 that the Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or
- (iii) the Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study,

then the Interconnection Customer may require the Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of the Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of the Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the GIA (Subcontractors) and limited to situations where the Transmission Provider determines that doing so will help maintain or accelerate the study process for the Interconnection Customer's pending Interconnection Request and not interfere with the Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where the Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection 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, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either the Interconnection Customer or the Transmission Provider at the Transmission Provider's discretion. In the case of (iii) the Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this GIP, Article 26 of the GIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if the Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. The Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes

13.5.1 External Arbitration Procedures

In the event of a dispute arising between the Parties as to the subject matter of this GIP that cannot be resolved between them, the Parties agree to submit the dispute to binding arbitration, pursuant to the terms of the *Commercial Arbitration Act*, S.N.S. 1999, c.5. In particular, the Parties agree to utilize the arbitration procedure attached

as Schedule “A” to the *Commercial Arbitration Act* in the conduct of the arbitration. Any matter in dispute that is submitted for arbitration shall be heard by a single arbitrator chosen unanimously by the parties. In the event the parties cannot agree on a person to act as a single arbitrator, each party shall choose one panelist and the two panelists shall choose an independent third panelist who shall also chair the arbitration. No such arbitrator shall have previously been employed by either party and shall not have a direct or indirect interest in either party or the subject matter of the arbitration. The cost of the arbitration, excluding a parties legal fees and disbursements shall, unless otherwise ordered by the arbitrator or the panel, be borne equally by the parties.

13.5.2 Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within 90 Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefore. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the GIA and GIP and shall have no power to modify or change any provision of the GIA and GIP in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction.