Small Generator Interconnection Procedures (SGIP)

For Generating Facilities No Larger Than 20 MW

Public Utility District No. 2 of Grant County, Washington

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VERSION HISTORY

Revision No.	Date	Description
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1. Application

1.1 Applicability

These Small Generator Interconnection Procedures (SGIP) apply to Interconnection Requests for a Small Generating Facility. An Interconnection Customer may request to interconnect a Small Generating Facility to Transmission Provider's Distribution System only if Interconnection Customer requests to interconnect a Small Generating Facility that is a qualifying facility under the Public Utility Regulatory Policy Act ("PURPA").; A request to interconnect a certified Small Generating Facility no greater than three (3) MW (see Attachments 3 and 4 for description of certification criteria) to Transmission Provider's Distribution System shall be evaluated under the Section 2 Fast Track Process only if the eligibility requirements of Section 2.1 are met. A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kilowatts (kW) shall be evaluated under Attachment 5 (10 kW Inverter Process). A request to interconnect a Small Generating Facility no larger than three (3) megawatts (MW) that does not meet the eligibility requirements of Section 2.1 or does not pass the Fast Track Process or the 10 kW Inverter Process, shall be subject to Study Process as specified in Section 3 and must submit an application per the terms of the LGIP. If Interconnection Customer wishes to interconnect its Small Generating Facility using Network Resource Interconnection Service, irrespective of size, it must do so under the LGIP and execute the Standard Large Generator Interconnection Agreement (LGIA).

1.1.1 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of these procedures.

1.1.2 Prior to submitting an Interconnection Request per Attachment 2, Interconnection Customer may ask Transmission Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures.

1.1.3 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. The Federal Energy Regulatory Commission expects all transmission providers, market participants, and Interconnection Customers interconnected with electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the Electric Reliability Organization. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

1.1.4 References in these procedures to interconnection agreement are to the SGIA unless the LGIA is the applicable agreement as specified in Section 1.1.

1.1.5 These procedures are not applicable to net-metering applications.

1.2 Pre-Application

1.2.1 Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on Transmission Provider's web site. Electric system information provided to Interconnection Customer may include

relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on Transmission Provider's Transmission System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. Transmission Provider shall comply with reasonable requests for such information.

1.2.2 In addition to the information described in Section 1.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee of $850 for a pre-application report on a proposed project at a specific site. Transmission Provider will make a reasonable effort to provide the pre-application data described in Section 1.2.3 to Interconnection Customer within thirty (30) Business Days of receipt of the completed request form and payment of the $850 fee. The pre-application report produced by Transmission Provider is non-binding, does not confer any rights, and Interconnection Customer must still successfully apply to interconnect to Transmission Provider's system. The written pre-application report request form shall include the information in Sections 1.2.2.1 through 1.2.2.7 below to clearly and sufficiently identify the location of the proposed Point of Interconnection and other details. If Transmission Provider determines additional data is required to complete the pre-application report, Transmission Provider will request this data and Interconnection Customer will supply this data within ten (10) Business Days. The reasonable effort deadline for the response by the Transmission Provider to a request for a pre-application report will be extended by ten (10) Business Days for each request for additional data.

1.2.3 Project contact information, including name, address, phone number, and email address.

1.2.3.1 Project location (street address with nearby cross streets and town)

1.2.3.2 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.

1.2.3.3 Generator Type (e.g., solar, wind, combined heat and power, etc.)

1.2.3.4 Size (alternating current kW)

1.2.3.5 Single or three phase generator configuration

1.2.3.6 Stand-alone generator (no onsite load, not including station service – Yes or No?) Availability of net-metering is subject to Transmission Provider's policies at the time of application.

1.2.3.7 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change. Availability of net-metering is subject to Transmission Provider's policies at the time of application.

1.2.4 Using the information provided in the pre-application report request form in Section 1.2.2, Transmission Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by Transmission

Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to Section 1.2.4, the pre-application report will include the following information:

1.2.4.1 Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.

1.2.4.2 Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.

1.2.4.3 Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.

1.2.4.4 Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).

1.2.4.5 Substation nominal distribution voltage and/or transmission nominal voltage if applicable.

1.2.4.6 Nominal distribution circuit voltage at the proposed Point of Interconnection.

1.2.4.7 Approximate circuit distance between the proposed Point of Interconnection and the substation.

1.2.4.8 Relevant line Section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in Section 2.4.4.1. below and absolute minimum load, when available.

1.2.4.9 Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.

1.2.4.10 Number of phases available at the proposed Point of Interconnection. If a single-phase, distance from the three-phase circuit.

1.2.4.11 Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.

1.2.4.12 Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.

1.2.4.13 Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that

location, short circuit interrupting, capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.,

1.2.5 The pre-application report need only include existing data. A pre-application report request does not obligate Transmission Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If Transmission Provider cannot complete all or some of a pre-application report due to lack of available data, Transmission Provider shall provide Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on "available capacity" pursuant to Section 1.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this Section, Transmission Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.

1.3 Interconnection Request

Interconnection Customer shall submit its Interconnection Request to Transmission Provider, together with the processing fee or deposit specified in the Interconnection Request. If an Interconnection Customer makes an Interconnection Request pursuant to this SGIP and must subsequently submit an application under the LGIP as specified in Section 3, the application fee made pursuant to this SGIP will be used to offset the application fee required by the LGIP. The Interconnection Request shall be date- and time-stamped upon receipt. The original date- and timestamp applied to the Interconnection Request at the time of its original submission shall be accepted as the qualifying date- and timestamp for the purposes of any timetable in these procedures. Interconnection Customer shall be notified of receipt by Transmission Provider within five (5) Business Days of receiving the Interconnection Request. Transmission Provider shall make reasonable efforts to notify Interconnection Customer within twenty (20) Business Days of the receipt of the Interconnection Request as to whether the Interconnection Request is complete or incomplete. If the Interconnection Request is incomplete, Transmission Provider shall provide along with the notice that the Interconnection Request is incomplete, a written list detailing all information that must be provided to complete the Interconnection Request. Interconnection Customer will have ten (10) Business Days after receipt of the notice to submit the listed information or to request an extension of time to provide such information. If Interconnection Customer does not provide the listed information or a request for an extension of time within the deadline, the Interconnection Request will be deemed withdrawn. An Interconnection Request will be deemed complete upon submission of the listed information to Transmission Provider. Notwithstanding the above, Transmission Provider may request additional information from an Interconnection Customer that has a complete application, and Interconnection Customer will supply data as requested by Transmission Provider. Interconnection Customer will have ten (10) Business Days after receipt of the notice for such additional information to submit the listed information or to request an extension of time to provide such information.

1.4 Modification of the Interconnection Request

Any modification by Interconnection Customer to machine data or equipment configuration or to the interconnection site of the Small Generating Facility not agreed to in writing by Transmission Provider and Interconnection Customer may be deemed a withdrawal of the

Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken. Any such modification of the Interconnection Request must be accompanied by any resulting updates to the data or models described in Attachment 2 of this SGIP.

1.5 Modifications to Existing Generating Facilities

1.5.1 Permissible Modifications

1.5.1.1 An Interconnection Customer with an existing Generating Facility is permitted to make modifications to the Existing Generating Facility under this Section 1.5.1, if the modifications do not increase the Generating Facility Capacity or have an impact on the Transmission System that would require a new Interconnection Request.

1.5.2 Transmission Provider's Sole Discretion

1.5.2.1 Transmission Provider, at its sole discretion, will determine whether the proposed changes by Interconnection Customer require a new Interconnection Request. Transmission Provider may perform any necessary additional studies to determine whether the proposed modifications require a new Interconnection Request. Interconnection Customer shall be responsible for any cost of additional studies.

1.5.3 Modifications to Applicable Agreements

1.5.3.1 Transmission Provider shall determine the necessary changes to Interconnection Customer's applicable SGIA and/or other application interconnection agreements. Prior to making any Permissible Modifications under Section 1.5.1, Interconnection Customer shall sign a revised SGIA and/or interconnection agreement.

1.6 Site Control

Documentation of site control must be submitted with the Interconnection Request. Site control may be demonstrated through:

1.6.1 Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Small Generating Facility;

1.6.2 An option to purchase or acquire a leasehold site for such purpose; or

1.6.3 An exclusive or other business relationship between Interconnection Customer and the entity having the right to sell, lease, or grant Interconnection Customer the right to possess or occupy a site for such purpose.

1.7 Queue Position

Interconnection Requests that are subject to the LGIP will be assigned to the applicable Cluster as specified in Section 4.1 of the LGIP. The date of the Interconnection Request pursuant to this SGIP will be used to determine the applicable Cluster.

1.8 Interconnection Requests Subject to this SGIP

All Interconnection Requests submitted after October 1, 2023 are subject to this SGIP.

2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with Transmission Provider's Distribution System if the Small Generating Facility's capacity does not exceed the size limits identified in the table below. Small Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Small Generating Facility will pass the Fast Track screens in Section 2.2.1 below or the Supplemental Review screens in Section 2.4.4 below.

Fast Track eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Small Generating Facilities connecting to Transmission Provider at a voltage greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Small Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. In addition to the size threshold, Interconnection Customer's proposed Small Generating Facility must meet the codes, standards, and certification requirements of Attachments 3 and 4 of these procedures, or Transmission Provider must review the design or test the proposed Small Generating Facility and determine it is safe to operate.

Fast Track Eligibility for Inverter-Based Systems		
Line Voltage	Fast Track Eligibility Regardless of Location	Fast Track Eligibility on a Mainline[1] and ≤ 2.5 Electrical Circuit Miles from Substation[2]
< 5 kV	≤ 500 kW	≤ 500 kW
≥ 5 kV and < 15 kV	≤ 2 MW	≤ 3 MW

2.2 Initial Review

Transmission Provider shall perform an initial review using the screens set forth below, shall notify Interconnection Customer of the results, and shall include with the notification copies of the analysis and data underlying Transmission Provider's determinations under the screens.

[1] For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American Wire Gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

[2] An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to Section 1.2.

2.2.1 Screens

2.2.1.1 The proposed Small Generating Facility's Point of Interconnection must be on Transmission Provider's Distribution System located within Transmission Provider's Balancing Authority Area.

2.2.1.2 For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15% of the Main Line annual peak load as most recently measured at the substation. A line section is that portion of an electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

2.2.1.3 For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5 % of a spot network's maximum load or 50 kW.[3]

2.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

2.2.1.5 The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

2.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on Transmission Provider's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line	**Type of Interconnection to Primary Distribution Line**	**Result / Criteria**
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen

[3] A spot network is a type of distribution system found within modern commercial buildings to provide high reliability of service to a single customer. (Standard Handbook for Electrical Engineers, 11th edition, Donald Fink, McGraw Hill Book Company).

Three-phase, four wire	Effectively grounded 3 phase or Single-phase, line- to-neutral	Pass screen

2.2.1.7 If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

2.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

2.2.1.9 The Small Generating Facility, in aggregate with other generation interconnected to the same circuit where the Small Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

2.2.1.10 No construction of facilities by Transmission Provider on its own system shall be required to accommodate the Small Generating Facility.

2.2.2 If the proposed interconnection passes the screens, the Interconnection Request shall be approved, and Transmission Provider will provide Interconnection Customer an executable interconnection agreement.

2.2.3 If the proposed interconnection fails the screens, but Transmission Provider determines that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, Transmission Provider shall provide Interconnection Customer an executable interconnection agreement.

2.2.4 If the proposed interconnection fails the screens, and Transmission Provider does not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless Interconnection Customer is willing to consider minor modifications or further study, Transmission Provider shall provide Interconnection Customer with the opportunity to attend a customer options meeting.

2.3 Customer Options Meeting

If Transmission Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost, (2) a supplemental study or other additional studies or actions, or (3) incurring significant cost to address safety, reliability, or power quality problems, Transmission Provider shall notify Interconnection Customer of that determination within ten (10) Business Days after the determination and provide copies of all data and analyses underlying its conclusion. Within fifteen (15) Business Days of Transmission Provider's determination, Transmission Provider shall offer to convene a customer options meeting with Transmission Provider to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the

Small Generating Facility to be connected safely and reliably. At the time of notification of Transmission Provider's determination, or at the customer options meeting, Transmission Provider shall:

2.3.1 Offer to perform facility modifications or minor modifications to Transmission Provider's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to Transmission Provider's electric system. If Interconnection Customer agrees to pay for the modifications to Transmission Provider's electric system, Transmission Provider will provide Interconnection Customer with an executable interconnection agreement; or

2.3.2 Offer to perform a supplemental review in accordance with Section 2.4 and provide a non-binding good faith estimate of the costs of such review; or

2.3.3 Obtain Interconnection Customer's agreement to continue evaluating the Interconnection Request under the Section 3 Study Process.

2.4 Supplemental Review

2.4.1 To accept the offer of a supplemental review, Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of Transmission Provider's good faith estimate of the costs of such review, both within fifteen (15) Business Days of the offer. If the written agreement and deposit have not been received by Transmission Provider within that timeframe, the Interconnection Request shall continue to be evaluated under the Section 3 Study Process unless it is withdrawn by Interconnection Customer.

2.4.2 Interconnection Customer may specify the order in which Transmission Provider will complete the screens in Section 2.4.4.

2.4.3 Interconnection Customer shall be responsible for Transmission Provider's actual costs for conducting the supplemental review. Interconnection Customer must pay any review costs that exceed the deposit within twenty (20) Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, Transmission Provider will return such excess within twenty (20) Business Days of the invoice without interest.

2.4.4 Following receipt of the deposit for a supplemental review, Transmission Provider shall (1) perform a supplemental review using the screens set forth below; (2) notify in writing Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying Transmission Provider's determinations under the screens. Unless Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time Interconnection Customer accepted the offer of supplemental review, Transmission Provider shall notify Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 2.4.4.1, within five (5) Business Days of making such determination to obtain Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 2.4.4; (2) terminate the supplemental review and continue evaluating the Small Generating Facility under Section 3; or (3) terminate the supplemental review upon withdrawal of the Interconnection

Request by Interconnection Customer.

2.4.4.1 Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Small Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility Capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Small Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under Section 2.4.4.

- The type of generation used by the proposed Small Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of Screen 2.4.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e. 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

- When this screen is being applied to a Small Generating Facility that serves some station service load, only the net injection into Transmission Provider's electric system will be considered as part of the aggregate generation.

- Transmission Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

2.4.4.2 Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.

2.4.4.3 Safety and Reliability Screen: The location of the proposed Small Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

- Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).

- Whether the loading along the line section is uniform or even.

- Whether the proposed Small Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.

- Whether the proposed Small Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

- Whether operational flexibility is reduced by the proposed Small Generating Facility, such that transfer of the line section(s) of the Small Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.

- Whether the proposed Small Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

2.4.5 If the proposed interconnection passes the supplemental screens in Sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, the Interconnection Request shall be approved, and Transmission Provider will provide Interconnection Customer with an executable interconnection agreement. If the proposed interconnection fails any of the supplemental review screens and Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the Section 3 Study Process consistent with Section 2.4.5.3 below.

2.4.5.1 If the proposed interconnection passes the supplemental screens in Sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above and does not require construction of facilities by Transmission Provider on its own system, the interconnection agreement shall be provided after the notification of the supplemental review results.

2.4.5.2 If interconnection facilities or minor modifications to Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in Sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, and Interconnection Customer agrees to pay for the modifications to Transmission Provider’s electric system, the interconnection agreement, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to Interconnection Customer after receiving written notification of the supplemental review results.

2.4.5.3 If the proposed interconnection would require more than interconnection facilities or minor modifications to Transmission Provider’s system to pass the supplemental screens in Sections 2.4.4.1, 2.4.4.2, and 2.4.4.3 above, Transmission Provider shall notify Interconnection Customer, at the same time it notifies Interconnection Customer with the supplemental

review results, that the Interconnection Request shall be evaluated under the Section 3 Study Process unless Interconnection Customer withdraws its Small Generating Facility.

3. Study Process

The Study Process under the LGIP shall be used by an Interconnection Customer proposing to interconnect its Small Generating Facility with Transmission Provider's Transmission System or Distribution System if (a) the Small Generating Facility did not pass the Fast Track Process, or (b) the Transmission Provider determines that the Small Generating Facility cannot be interconnected under the 10 kW Inverter Process.

4. Provisions that Apply to All Interconnection Requests

4.1 Reasonable Efforts

Transmission Provider shall make reasonable efforts to meet all time frames provided in these procedures unless Transmission Provider and Interconnection Customer agree to a different schedule. If Transmission Provider cannot meet a deadline provided herein, it shall notify Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.

4.2 Disputes

4.2.1 Submission

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with these procedures or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this SGIP.

4.2.2 External Arbitration Procedures

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior

arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and taking into account any relevant FERC precedents, any applicable RTO or ISO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 4.2, the terms of this Section 4.2 shall prevail.

4.2.3 Arbitration Decisions

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (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 these procedures and shall have no power to modify or change any provision of these procedures 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. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act.

4.2.4 Costs

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

4.3 Interconnection Metering

Any metering necessitated by the use of the Small Generating Facility shall be installed at Interconnection Customer's expense in accordance with Federal Energy Regulatory Commission, state, and/or local regulatory requirements and Transmission Provider's specifications.

4.4 Commissioning

Commissioning tests of Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. Transmission Provider must be given at least ten (10) Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests. Transmission Provider may be represented by a designated third party at such tests.

4.5 Confidentiality

Confidential Information shall include, without limitation, all information designated as Critical Energy/Electric Infrastructure (CEII) Information, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an SGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as

confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Section warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

By signing an agreement with Transmission Provider related to the SGIP, both Parties expressly acknowledges and agrees that neither Party will disclose to third parties (except as expressly set forth herein), without the written consent of the other Party, any information developed or obtained in connection with the performance of the SGIA, and, if requested by the other Party, to require its employees and subcontractors, if any, to execute a non-disclosure agreement prior to performing any services under the SGIA.

If either Party is subject to the Washington Public Records Act, Chapter 42.56 RCW ("PRA"), and a disclosure of Confidential Information is required to be made by pursuant to the PRA, such disclosure shall not be deemed a violation of this Section 4.5, provided that the Party receiving the request has, so far as it is lawful and practical to do so prior to such disclosure: (a) promptly notified the other Party in writing of such, request, order, or requirement; (b) provided a reasonable opportunity for the other Party to seek an appropriate protective order; and (c) cooperated with other Party to narrow the scope of such disclosure to only that portion of the Confidential Information that is necessary to fulfill the request.

4.5.1 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 SGIA; or (6) is required, in accordance with Section 4.5.6, 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 SGIA. 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.

4.5.2 Release of Confidential Information

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), 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 4.5 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 4.5.

4.5.3 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.

4.5.4 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.

4.5.5 Standard of Care

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

4.5.6 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, public records request, or otherwise, to disclose Confidential Information, that Party shall use reasonable efforts to provide the other Party with 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 SGIA. 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.

4.5.7 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 4.5. 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 4.5, 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 be deemed an exclusive

remedy for the Breach of this Section 4.5. 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 4.5.

4.5.8 Disclosure

Any information that a Party claims is competitively sensitive, commercial or financial information ("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 SGIP or as a transmission service provider or a *Balancing Authority Area* operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims 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.

4.5.9 Public Domain

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).

4.5.10 Confidential Information No Longer Needed

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.

4.6 Comparability

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this document. Transmission Provider shall use the same reasonable efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Small Generating Facility is owned or operated by Transmission Provider, its subsidiaries or affiliates, or others.

4.7 Record Retention

Transmission Provider shall maintain for three years records, subject to audit, of all Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

4.8 Interconnection Agreement

After receiving an interconnection agreement from Transmission Provider, Interconnection Customer shall have thirty (30) Business Days to sign and return the interconnection agreement. If Interconnection Customer does not sign the interconnection agreement within thirty (30) Business Days the Interconnection Request shall be deemed withdrawn. After the interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

4.8.1 Facilities Operation and Maintenance

The interconnection agreement will set forth funding required, if any, for long-term operations and maintenance associated with the interconnection.

Ownership of installed facilities is determined on a case-by-case basis. Notwithstanding ownership, Transmission Provider generally retains operation and dispatching authority of all facilities that Transmission Provider considers to be an integral part of the Transmission Provider Transmission System.

Transmission Provider reserves the right to approve Transmission System changes at the tap, substation, or interconnection that affect operation of Transmission Provider facilities, including interconnecting with facilities of a third entity.

4.8.2 Environmental Requirements and Cultural Reviews

The Natural and Cultural Resource Review Process or NCRRP is a project review process conducted by Transmission Provider, or its designee, to ensure compliance with environmental permitting, land use permitting, and cultural resources.

Costs associated with environmental and cultural studies, including costs associated with an NCCRP will be funded as part of the interconnection agreement.

Transmission Provider is required to assess the potential environmental impacts of any proposed interconnection in accordance with the State Environmental Policy Act (SEPA) and other environmental regulations. Interconnection Customers are advised to consult with Transmission Provider as early as possible in the planning process to obtain guidance with respect to the appropriate level and scope of any studies or environmental information that Transmission Provider requires. The Washington State Department of Ecology's SEPA requires that Transmission Provider begin environmental review as soon as practicable. The nature of the interconnection request will dictate the level of SEPA compliance required.

The environmental review process can range from a categorical exclusion to a comprehensive environmental impact statement, including the required public process for such a statement. The duration of the cultural review process depends on preliminary findings. Findings may also rule the project as non-viable or require substantial archaeological studies for significant cultural sites. The environmental and cultural review process uses input from previous and other ongoing studies and construction planning processes. Continuation of the interconnection process at any and every step is contingent upon favorable environmental and cultural review.

If the Interconnection Request does not involve integration of a new source of

generation into Transmission Provider transmission facilities, change the operation limits of existing generation, provide service to new discrete loads, or cause major system changes and there are no adverse impacts identified, Transmission Provider may be able to prepare a categorical exclusion for the interconnection. This process can take up to six months to complete, depending on the scope of the interconnection. If the interconnection does involve any of the actions mentioned above, the environmental review process may take 18 months or more, depending on the scope of the interconnection. If Transmission Provider determines that an environmental assessment (EA) or an environmental impact statement (EIS) is required, Transmission Provider may prepare the EA or EIS and, if necessary, use a contractor selected by Transmission Provider. If an EA is prepared, one result may be a determination that an EIS is necessary (in the case that significant impacts may occur or controversy is likely), thus extending the time to complete SEPA compliance.

Transmission Provider may participate in the environmental process of another Federal, State, or local agency involved with a project to satisfy portions of its SEPA requirements. Environmental reviews and related studies conducted by other agencies cannot, however, be routinely adopted, and must meet the standards placed upon Transmission Provider by SEPA or other governmental agency procedures.

4.9 Coordination with Affected Systems

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. Interconnection Customer will cooperate with Transmission Provider and Affected System Operator in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

The Affected System Operator whose system may be impacted by a proposed interconnection on another transmission provider's transmission system shall cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to transmission provider's transmission system.

4.10 Capacity of the Small Generating Facility

4.10.1 If the Interconnection Request is for an increase in capacity for an existing Small Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Small Generating Facility.

4.10.2 If the Interconnection Request is for a Small Generating Facility that includes multiple energy production devices at a site for which Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

4.10.3 The Interconnection Request shall be evaluated using the maximum capacity that the Small Generating Facility is capable of injecting into Transmission Provider's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into Transmission Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then Interconnection Customer must obtain Transmission Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which Interconnection Customer proposes to implement such a limit

will not adversely affect the safety and reliability of Transmission Provider's system. If Transmission Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into Transmission Provider's electric system without such limitations. Furthermore, nothing in Section 4.10 shall prevent Transmission Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

4.11 Delegation of Responsibility

Transmission Provider may use the services of contractors and subcontractors as it deems appropriate to perform its obligations under this SGIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such contractors and subcontractors and compliance with its obligations of this SGIP. All contractors and subcontractors 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.

4.12 Tax Exempt Bonds

4.12.1 Transmission Providers That Own Facilities Financed by Local Furnishing Bonds.

The Transmission Provider utilizes state and federal income tax-exempt financial instruments on an ongoing basis to fund its transmission, including as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of the SGIA and this SGIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to the SGIA and this SGIP if the provision of such transmission service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance Transmission Provider's facilities that would be used in providing such Interconnection Service.

4.12.2 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance its facilities, it shall advise the Interconnection Customer and shall not be obligated to provide service.

Interconnection Customer thereafter may renew its request for interconnection using the processes in the Transmission Provider's SGIP.

4.13 No Payment of Interest

Transmission Provider will not pay any interest on funds held for any purpose unless the payment of interest is specified for a particular purpose in this SGIP or in an applicable agreement.

4.14 Reliability Requirements

Interconnection to Transmission Provider's transmission facilities will be consistent with Good Utility Practices. A proposed interconnection must not degrade the reliability or operating flexibility of the existing power system and must not cause Transmission Provider's

Transmission System to violate NERC transmission system performance criteria, as specified in applicable reliability standards, nor the Transmission Provider Reliability Coordinator's System Operating Limit methodology requirements. The interconnection must comply with WECC standards, policies, and procedures. When involving Transmission Provider owned, operated, or maintained facilities, the interconnection must also comply with Transmission Provider engineering design and operation criteria, including but not limited to the Transmission Provider's Transmission Planning Guidelines and Distribution Planning Guidelines. Additionally, the interconnection must adhere to any regional planning or operating entities' criteria in effect, and the criteria of other entities affected by the interconnection.

Interconnection Customer will be responsible for testing and reporting requirements in accordance with applicable NERC and WECC Standards/criteria and any similar standards of a successor organization to either NERC or WECC.

4.15 Safety and Security Requirements

When making an interconnection to Transmission Provider facilities, Interconnection Customer shall perform construction to comply with applicable safety laws, building and construction codes. These include provisions of applicable Federal, State, and local safety, health and/or industrial regulations or codes. In addition, Interconnection Customer must adhere to Transmission Provider's Contractor Safety Requirements when working on Transmission Provider property.

If Interconnection Customer does not adhere to construction and safety requirements, Transmission Provider may issue an order to stop all or any part of the work until such time Interconnection Customer demonstrates compliance with the provision at issue. Interconnection Customer cannot make a claim for compensation or damage resulting from such work stoppage.

4.16 Land Acquisition and Land Use Permitting Requirements

Land acquisition and land use permitting will be included in the interconnection agreement. This work involves initiating research of property ownership and zoning, title search and determination, legal land surveys, preparation of legal descriptions and documents, and appraisals. The process may extend through the completion of construction. Typically, negotiations between Transmission Provider, Interconnection Customer and/or affected landowners do not begin until the environmental record of decision or finding of no significant impact is complete, prior to construction.

If the interconnecting facilities are to be owned by Transmission Provider, then any new land rights necessary for the interconnection must be owned by Transmission Provider. Transmission Provider typically conducts all land acquisition and land use permitting activities, including title search and determination, legal land surveys, preparation of legal documents, title insurance, appraisals, negotiations, payment and recording of documents in the County Auditor's Office. Projects may also require damage resolution with landowners following construction. All land rights must be acquired pursuant to Federal, State, County and local laws governing acquisition of real property and land use permits, which is particularly important when other Federal, State and institutional lands are affected by the interconnection.

In certain circumstances, Transmission Provider may determine that Interconnection Customer is capable of performing the necessary land rights and land use permit activities. When this is

the case, Transmission Provider will coordinate closely with Interconnection Customer to ensure proper procedures are followed, and that the proper land rights and land use permits are obtained. Agreements concerning land acquisition issues such as fee or easement, right-of-way width, and title acceptability must be reached between Transmission Provider and Interconnection Customer before any land rights are acquired and transferred to Transmission Provider.

Attachment 1 Glossary of Terms

10 kW Inverter Process – The procedure for evaluating an Interconnection Request for a certified inverter-based Small Generating Facility no larger than 10 kW that uses the Section 2 screens. The application process uses an all-in-one document that includes a simplified Interconnection Request, simplified procedures, and a brief set of terms and conditions. See SGIP Attachment 5.

Affected System – An electric system affected by a proposed interconnection in a different electric system.

Affected System Operator - The entity that operates an Affected System.

Business Day – The days Monday through Friday, excluding NERC holidays, Presidents Day, Veterans Day, Martin Luther King Jr. Day, Juneteenth, and Native American Heritage Day.

Distribution System – Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

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

Electric Reliability Organization - The North American Electric Reliability Corporation or its successor organization.

Fast Track Process – The procedure for evaluating an Interconnection Request for a certified Small Generating Facility that meets the eligibility requirements of Section 2.1 and includes the Section 2 screens, customer options meeting, and optional supplemental review.

Generating Facility Capacity - The net capacity of the Generating Facility or the aggregate net capacity of the Generating Facility where it includes more than one device for the production and/or storage for later injection of electricity.

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

Interconnection Customer – Any entity, including Transmission Provider, the Transmission Owner or any of the affiliates or subsidiaries of either, that proposes to interconnect its Small Generating Facility with Transmission Provider's Transmission System.

Interconnection Facilities – Transmission Provider's Interconnection Facilities and Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and

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

Interconnection Request – An Interconnection Customer's request pursuant to the terms of this SGIP to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with Transmission Provider's Transmission System.

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

Inverter Based Resource - A plant/facility consisting of individual devices that are capable of exporting Real Power through a power electronic interface(s) such as an inverter or converter, and that are operated together as a single resource at a common point of interconnection to the electric system. Examples include, but are not limited to, plants/facilities with solar photovoltaic (PV), Type 3 and Type 4 wind, battery energy storage system (BESS), and fuel cell devices.

Main Line - The primary or principal circuit that carries electrical power from the substation to various distribution points. It serves as the central route through which electricity flows to supply multiple branches or feeders.

Material Modification – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Network Resource – Any designated generating resource owned, purchased, or leased by a Network Customer for the purpose of using Network Integration Transmission Service. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis except for purposes of fulfilling obligations under a reserve sharing program.

Network Resource Interconnection Service – An Interconnection Service that allows Interconnection Customer to integrate its Generating Facility with Transmission Provider's System (1) in a manner comparable to that in which 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 – Additions, modifications, and upgrades to Transmission Provider's Transmission System required at or beyond the point at which the Small Generating Facility interconnects with Transmission Provider's Transmission System to accommodate the interconnection with the Small Generating Facility to Transmission Provider's Transmission System. Network Upgrades do not include Distribution Upgrades.

Party or Parties – Transmission Provider, Transmission Owner, Interconnection Customer or any

combination of the above.

Permissible Modification – Any modification permitted under Section 1.5.1 of this SGIP.

Point of Interconnection – The point where the Interconnection Facilities connect with Transmission Provider's Transmission System.

PURPA – The Public Utility Regulatory Policies Act of 1978

Qualified Small Generating Facility - A Small Generating Facility that has a Generating Facility Capacity of at least 10 kW and that does not meet the criteria for the Fast Track Process as described in Transmission Provider's SGIP.

Queue Position – The order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by Transmission Provider.

Small Generating Facility – Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request which has a Generating Facility Capacity of no more than 20 MW but shall not include Interconnection Customer's Interconnection Facilities.

Small Generator Interconnection Agreement (SGIA) – The form of interconnection agreement applicable to certain Interconnection Requests for a Small Generating Facility that are not required to use an LGIA as specified in Section 1.1.1.

Standard Large Generator Interconnection Procedures (LGIP) - The interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility and a Qualified Small Generating Facility as specified in Transmission Provider's SGIP.

Study Process – The procedure in the LGIP for evaluating an Interconnection Request that is not eligible for the Fast Track Process or qualify for the 10 kW Inverter Process.

Tariff - The Transmission Provider's Open Access Transmission Tariff as approved by the Transmission Provider's Board of Commissioners, or any agreement executed between Customer and Transmission Provider's governing transmission service and interconnection service prior to the Transmission Provider's Board of Commissioners' approval of an Open Access Transmission Tariff.

Transmission Owner – The 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 Small Generator Interconnection Agreement to the extent necessary.

Transmission Provider – Public Utility District No. 2 of Grant County, Washington.

Transmission Provider's Contractor Safety Requirements – The document titled Contractor Safety Requirements maintained by Transmission Provider

Transmission System – The facilities owned, controlled or operated by Transmission Provider or the Transmission Owner that are used to provide transmission service.

Upgrades – The required additions and modifications to Transmission Provider's Transmission System at

or beyond the Point of Interconnection. Upgrades may be Network Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

Attachment 2 – Small Generator Interconnection Request

This form is only applicable to Interconnection Requests with a Generating Facility Capacity that meet the applicability requirements of Section 2.1 of the SGIP.

An Interconnection Request is considered complete when it provides all applicable and correct information required below. Per SGIP Section 1.6, documentation of site control must be submitted with the Interconnection Request.

Preamble and Instructions - An Interconnection Customer must submit this Interconnection Request by hand delivery, mail, or e-mail to Transmission Provider.

Processing Fee or Deposit - If the Interconnection Request is submitted under the Fast Track Process, the non-refundable processing fee is $1,000.

If the Interconnection Request does not qualify for the Fast Track Process, Interconnection Customer shall be subject to the Study Process in Transmission Provider's LGIP as specified in Section 3 of this SGIP.

Small Generator Interconnection Request – Application Form
Public Utility District No. 2 of Grant County, Washington

Applicant's Legal Entity Name:	
Applicant's Mailing Address (include state and zip):	
Name of Contact:	
Title of Contact:	
Office and Mobile Numbers:	
Email:	
Name of Alternate Contact:	
Title of Alternate Contact:	
Alternate Contact Mailing Address (include state and zip):	
Alternate Contact Office and Mobile Numbers:	
Alternate Contact Email:	
Specific location of the proposed new or existing Generating Facility site:	Address: Longitude: Latitude: Parcel Number(s):
Requested Point of Interconnection:	Transmission Substation or Transmission Line:
Requested In-Service Date:	
Application is for:	☐ New Small Generating Facility ☐ Capacity addition to Existing Small Generating Facility
If capacity addition to existing facility, please describe:	
Will the Small Generating Facility be used for any of the following? The Availability of the following options is subject to Transmission Provider's policies at the time of application.	
Net Metering? ☐ Yes ☐ No To Supply Power to Interconnection Customer? ☐ Yes ☐ No To Supply Power to Others? ☐ Yes ☐ No	

Small Generating Facility Information

Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: ☐ Solar ☐ Wind ☐ Hydro Type (e.g., Run-of-River) _____

☐ Diesel ☐ Natural Gas ☐ Fuel Oil ☐ Other (specify) _____

Prime Mover: ☐ Fuel Cell ☐ Recip Engine ☐ Gas Turb ☐ Steam Turb ☐ Microturbine ☐ PV

☐ Other (specify) _____

Type of Generator: ☐ Synchronous ☐ Induction ☐ Inverter

Generator Nameplate Rating:_____kW (Typical) Generator Nameplate kVAR: _____

Interconnection Customer or Customer-Site Load:_____kW (if none, so state)

Typical Reactive Load (if known): _____

Maximum Physical Export Capability Requested:_____kW

List components of the Small Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

Is the prime mover compatible with the certified protective relay package? ☐ Yes ☐ No

Generator (or solar collector) Manufacturer, Model Name & Number: _____

Version Number: _____

Nameplate Output Power Rating in kW: (Summer) _____ (Winter) _____

Nameplate Output Power Rating in kVA: (Summer) _____ (Winter) _____

Individual Generator Power Factor
Rated Power Factor: Leading:_____ Lagging:_____

Total Number of Generators in wind farm to be interconnected pursuant to this Interconnection Request:
Elevation:_____ Single phase: _____ Three phase: _____

Inverter Manufacturer, Model Name & Number (if used):_____

List of adjustable set points for the protective equipment or software: _____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based machines)

Max design fault contribution current: _____ Instantaneous or RMS_____?

Harmonics Characteristics: _____

Start-up requirements: _____

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency: _____

(*) Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, X_d:_____P.U.

Direct Axis Transient Reactance, X'_d:_____P.U.

Direct Axis Subtransient Reactance, X''_d:_____P.U.

Negative Sequence Reactance, X_2:_____P.U.

Zero Sequence Reactance, X_0:_____P.U.

KVA Base: _____ Field Volts: _____ Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____

I22t or K (Heating Time Constant): _____

Rotor Resistance, Rr:_____

Stator Resistance, Rs:_____

Stator Reactance, Xs:_____

Rotor Reactance, Xr:_____

Magnetizing Reactance, Xm:_____

Short Circuit Reactance, Xd": _____

Exciting Current: _____

Temperature Rise: _____

Frame Size: _____

Design Letter: _____

Reactive Power Required In Vars (No Load): _____

Reactive Power Required In Vars (Full Load): _____

Total Rotating Inertia, H: _____Per Unit on kVA Base

Note: Please contact Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling? ☐ Yes ☐ No
Will the transformer be provided by Interconnection Customer? ☐ Yes ☐ No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: _____ single phase _____ three phase? Size: _____ kVA

Transformer Impedance: ___% on _____kVA Base

If Three Phase:

Transformer Primary: _____Volts _____ Delta _____ Wye _____ Wye Grounded
Transformer Secondary: _____Volts _____ Delta _____ Wye _____ Wye Grounded
Transformer Tertiary: _____Volts _____ Delta _____ Wye _____ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer:_____Type:_____Size:_____Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer:_____ Type: _____
Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled: List of Functions and Adjustable Setpoints for the protective equipment or software:

	Setpoint Function	Minimum	Maximum
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____

If Discrete Components: (Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer:_____	Type:_____	Style/Catalog No.:_____	Proposed Setting:_____
Manufacturer:_____	Type:_____	Style/Catalog No.:_____	Proposed Setting:_____
Manufacturer:_____	Type:_____	Style/Catalog No.:_____	Proposed Setting:_____
Manufacturer:_____	Type:_____	Style/Catalog No.:_____	Proposed Setting:_____
Manufacturer:_____	Type:_____	Style/Catalog No.:_____	Proposed Setting:_____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer: _____

Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Manufacturer: _____

Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Potential Transformer Data (If Applicable):

Manufacturer: _____

Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

Manufacturer: _____

Type: _____ Accuracy Class: _____ Proposed Ratio Connection: _____

General Information

Enclose a copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? ☐ Yes ☐ No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from Interconnection Customer's address)_____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ☐ Yes ☐ No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).
Are Schematic Drawings Enclosed? ☐ Yes ☐ No

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

Signature: _____

Print Name: _____

Title: _____

Date: _____

Attachment 3 - Certification Codes and Standards

(See Certification Codes and Standards posted on Transmission Provider's public website)

Attachment 4 - Certification of Small Generator Equipment Packages

1. Small Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in SGIP Attachment 3, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.

2. Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the NRTL.

3. Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.

4. If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.

5. Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.

6. An equipment package does not include equipment provided by the utility.

7. Any equipment package approved and listed in a state by that state's regulatory body for interconnected operation in that state prior to the effective date of these small generator interconnection procedures shall be considered certified under these procedures for use in that state.

Attachment 5 - Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Small Generating Facility No Larger than 10 kW ("10 kW Inverter Process") not covered by net-metering

1. Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to Public Utility District No. 2 of Grant County, Washington ("Transmission Provider").

2. Transmission Provider acknowledges receipt of the Application within five (5) Business Days of receipt to Customer.

3. Transmission Provider evaluates the Application for completeness and notifies Customer within twenty (20) Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.

4. Transmission Provider verifies that the Small Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Small Generator Interconnection Procedures (SGIP). Unless Transmission Provider determines and demonstrates that the Small Generating Facility cannot be interconnected safely and reliably, Transmission Provider approves the Application and returns it to Customer. Note to Customer: Please check with Transmission Provider before submitting the Application if disconnection equipment is required.

5. After installation, Customer returns the Certificate of Completion to Transmission Provider. Prior to parallel operation, Transmission Provider may inspect the Small Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.

6. Transmission Provider notifies Customer in writing that interconnection of the Small Generating Facility is authorized. If the witness test is not satisfactory, Transmission Provider has the right to disconnect the Small Generating Facility. Customer has no right to operate in parallel until a witness test has been performed, or previously waived by the Transmission Provider on the Application. Transmission Provider will endeavor to complete this witness test within twenty (20) Business Days of the receipt of the Certificate of Completion.

7. Contact Information – Customer must provide the contact information for the legal applicant (i.e., Interconnection Customer). If another entity is responsible for interfacing with Transmission Provider, that contact information must be provided on the Application.

8. Ownership Information – Enter the legal names of the owner(s) of the Small Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.

9. UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation.

Application for Interconnecting a Certified Inverter-Based Small Generating Facility
No Larger than 10kW that does not include net-metering

This Application is considered complete when it provides all applicable and correct information required below. Per SGIP Section 1.5, documentation of site control must be submitted with the Interconnection Request. Additional information to evaluate the Application may be required.

A non-refundable processing fee of $850.00 must accompany this Application.

Interconnection Customer:	
Legal Entity Name:	
Mailing Address (include state and zip):	
Name of Contact:	
Title of Contact:	
Office and Mobile Numbers:	
Email:	

Contact (if different from Interconnection Customer):	
Legal Entity Name:	
Mailing Address (include state and zip):	
Name Contact:	
Title of Contact:	
Office and Mobile Numbers:	
Email:	

Small Generating Facility Information:
Owner of the facility (indicate % ownership by any legal entity):

Inverter Manufacturer: _____ Model: _____

Nameplate Rating: _____ (kW) _____ (kVA) _____ (AC Volts)

Single Phase _____ Three Phase _____

System Design Capacity: _____ (kW) _____ (kVA)

Prime Mover: ☐ Photovoltaic ☐ Reciprocating Engine ☐ Fuel Cell ☐ Turbine

☐ Other (describe): _____

Energy Source: ☐ Solar ☐ Wind ☐ Hydro ☐ Diesel ☐ Natural Gas ☐ Fuel Oil

☐ Other (describe): _____

Is the equipment UL1741 Listed? ☐ Yes ☐ No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing.

Estimated Installation Date: _____ Estimated In-Service Date: _____

The 10 kW Inverter Process is available only for inverter-based Small Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Attachments 3 and 4 of the Small Generator Interconnection Procedures (SGIP), or Transmission Provider has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

List components of the Small Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return the Certificate of Completion when the Small Generating Facility has been installed.

Signature: _____

Print Name: _____

Title: _____

Date: _____

The section below is for Transmission Provider use only

Contingent Approval to Interconnect the Small Generating Facility

Interconnection of the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Signature: _____

Print Name: _____

Title: _____

Date: _____

Application ID number: _____

Small Generating Facility Certificate of Completion

Is the Small Generating Facility owner-installed?	☐ Yes ☐ No
Interconnection Customer:	
Name of Contact:	
Address:	
Office and Mobile Numbers:	
Email:	
Location of Small Generating Facility (if different from above):	

Electrician	
Name:	
Address:	
Phone Number:	
Email:	
License Number:	
Location of Small Generating Facility (if different from above):	
Date Approval to Install Facility granted by the Transmission Provider:	
Applicant ID Number:	

Inspection:	
The Small Generating Facility has been installed and inspected in compliance with the local building/electrical code of:	
Signature (local electrical wiring inspector or attach a signed electrical inspection):	

Signature: _____

Print Name: _____

Title: _____

Date: _____

As a condition of interconnection, you are required to send a copy of this form along with a copy of the signed electrical permit to (insert Transmission Provider information below):

Grant PUD
Attn: Transmission Services Manager
PO Box 878
Ephrata, WA 98823
TransmissionServices@gcpud.org

Please contact the Transmission Services Manager at Grant PUD to obtain instructions for electronic transfer of documents and funds.

The section below is for Transmission Provider use only

Approval to Energize the Small Generating Facility

Energizing the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW.

Signature: _____

Print Name: _____

Title: _____

Date: _____

Application ID number: _____

Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

1. Construction of the Facility

Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Small Generating Facility when Public Utility District No. 2 of Grant County, Washington ("Transmission Provider") approves the Interconnection Request (the "Application") and returns it to the Customer.

2. Interconnection and Operation

Customer may operate Small Generating Facility and interconnect with Transmission Provider's electric system once all of the following have occurred:

2.1 Upon completing construction, Customer will cause the Small Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and

2.2 Customer returns the Certificate of Completion to Transmission Provider, and

2.3 Transmission Provider has either:

2.3.1 Completed its inspection of the Small Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by Transmission Provider, at its own expense, within ten (10) Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. Transmission Provider shall provide a written statement that the Small Generating Facility has passed inspection or shall notify Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or

2.3.2 Transmission Provider has the right to disconnect the Small Generating Facility in the event of improper installation or failure to return the Certificate of Completion.

2.4 Revenue quality metering equipment, as specified by the Transmission Provider, must be installed and tested in accordance with applicable ANSI standards.

3. Safe Operations and Maintenance

Customer shall be fully responsible to operate, maintain, and repair the Small Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4. Access

Transmission Provider shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Small Generating Facility at all times. Transmission Provider shall provide reasonable notice to the Customer, when possible, prior to using its right of access.

5. Disconnection

Transmission Provider may temporarily disconnect the Small Generating Facility upon the following conditions:

5.1 For scheduled outages upon reasonable notice.

5.2 For unscheduled outages or emergency conditions.

5.3 If the Small Generating Facility does not operate in the manner consistent with these Terms and Conditions.

5.4 Transmission Provider shall inform Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6. Indemnification

The Parties shall at all times indemnify, defend, and save the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7. Insurance

The Parties agree to follow all applicable insurance requirements imposed by the state in which the Point of Interconnection is located. All insurance policies must be maintained with insurers authorized to do business in that state. The Customer's insurance will include the Transmission Provider as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of the Transmission Provider.

8. Limitation of Liability

Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.

9. Termination

The agreement to operate in parallel may be terminated under the following conditions:

9.1 By Customer

By providing written notice to Transmission Provider.

9.2 By Transmission Provider

If the Small Generating Facility fails to operate for any consecutive 12-month period or Customer fails to remedy a violation of these Terms and Conditions.

9.3 Permanent Disconnection

In the event this Agreement is terminated, Transmission Provider shall have the right to disconnect its facilities or direct Customer to disconnect its Small Generating Facility.

9.4 Survival Rights

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10. Assignment/Transfer of Ownership of the Facility

This Agreement shall survive the transfer of ownership of the Small Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies Transmission Provider.