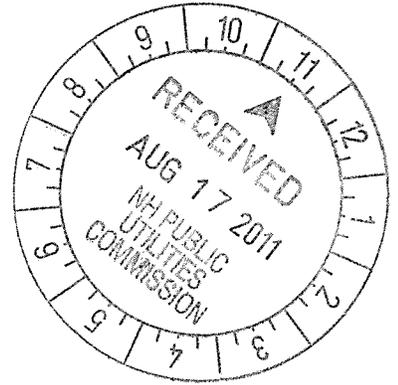


DE 11-182

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
SAMPLE APPLICATION FORM**



**FOR RENEWABLE ENERGY SOURCE ELIGIBILITY
Pursuant to New Hampshire Admin. Code Puc 2500 Rules**

NOTE: When completing this application electronically, using the "tab" key after completing each answer will move the cursor to the next blank to be filled in. If a question is not applicable to your facility, then check the box next to N/A.

Pursuant to Puc 202, the signed application shall be filed with the Executive Director and Secretary of the New Hampshire Public Utilities Commission (Commission). To ensure that your submitted application is complete, please read RSA 362-F and N.H. Code Admin. Rules Puc 2500 before filling out this application. It is the burden of the applicant to provide timely, accurate and complete information as part of the application process. Any failure by the applicant to provide information in a timely manner may result in the Commission dismissing this application without prejudice.

1. **ELIGIBILITY CLASS APPLIED FOR:** I II III IV

2. Applicant's legal name: Stetson Wind II, LLC

3. Address: (1) c/o First Wind Energy, LLC
(2) 179 Lincoln St, Suite 500
(3) _____

Boston (City) MA (State) 02111 (Zip code)

4. Telephone number: 617-960-9564

5. Facsimile number: 617-960-2889

6. Email address: izyla@firstwind.com

7. Facility name: Stetson Wind II

8. Facility location: (1) Stetson Mountain

(2) 1650 Power Alley

T8 R3

(City)

ME

(State)

(Zip code)

9. Latitude: 29.007 N Longitude: 59.664 W

10. The name and telephone number of the facility's operator, if different from the owner: Same

First Wind O&M, LLC

(Name)

617-960-9501

(Telephone number)

11. The ISO-New England asset identification number, if applicable: ISO-NE#: 16612 or N/A:

12. The GIS facility code, if applicable: MSS16612 or N/A:

13. A description of the facility, including fuel type, gross nameplate generation capacity, the initial commercial operation date, and the date it began operation, if different.

14. If Class I certification is sought for a generation facility that uses biomass, the applicant shall submit:

- (a) quarterly average NOx emission rates over the past rolling year,
- (b) the most recent average particulate matter emission rates as required by the New Hampshire Department of Environmental Services (NHDES),
- (c) a description of the pollution control equipment or proposed practices for compliance with such requirements,
- (d) proof that a copy of the completed application has been filed with the NHDES, and
- (e) conduct a stack test to verify compliance with the emission standard for particulate matter no later than 12 months prior to the end of the subject calendar quarter except as provided for in RSA 362-F:12, II.
- (f) N/A: Class I certification is NOT being sought for a generation facility that uses biomass.

15. If Class I certification is sought for the incremental new production of electricity by a generation facility that uses biomass, methane or hydroelectric technologies to produce energy, the applicant shall:

- (a) demonstrate that it has made capital investments after January 1, 2006 with the successful purpose of improving the efficiency or increasing the output of renewable energy from the facility, and
- (b) supply the historical generation baseline as defined in RSA 362-F:2, X.
- (c) N/A: Class I certification is NOT being sought for the incremental new production of electricity by a generation facility that uses biomass, methane or hydroelectric technologies.

16. If Class I certification is sought for repowered Class III or Class IV sources, the applicant shall:

- (a) demonstrate that it has made new capital investments for the purpose of restoring unusable generation capacity or adding to the existing capacity, in light of the NHDES environmental permitting requirements or otherwise, and

- (b) provide documentation that eighty percent of its tax basis in the resulting plant and equipment of the eligible generation capacity, including the NHDES permitting requirements for new plants, but exclusive of any tax basis in real property and intangible assets, is derived from the new capital investments.
 - (c) N/A: Class I certification is NOT being sought for repowered Class III or Class IV sources.
17. If Class I certification is sought for formerly nonrenewable energy electric generation facilities, the applicant shall:
- (a) demonstrate that it has made new capital investments for the purpose of repowering with eligible biomass technologies or methane gas and complies with the certification requirements of Puc 2505.04, if using biomass fuels, and
 - (b) provide documentation that eighty percent of its tax basis in the resulting generation unit, including NHDES permitting requirements for new plants, but exclusive of any tax basis in real property and intangible assets, is derived from the new capital investments.
 - (c) N/A: Class I certification is NOT being sought for formerly nonrenewable energy electric generation facilities.
18. If Class IV certification is sought for an existing small hydroelectric facility, the applicant shall submit proof that:
- (a) it has installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its license or exemption from the Federal Energy Regulatory Commission, and
 - (b) when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects.
 - (c) N/A: Class IV certification is NOT being sought for existing small hydroelectric facilities.
19. If the source is located in a control area adjacent to the New England control area, the applicant shall submit proof that the energy is delivered within the New England control area and such delivery is verified using the documentation required in Puc 2504.01(a)(2) a. to e.
20. All other necessary regulatory approvals, including any reviews, approvals or permits required by the NHDES or the environmental protection agency in the facility's state.
See Exhibit A attached.
21. Proof that the applicant either has an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study.
See Exhibit B attached.
22. A description of how the generation facility is connected to the regional power pool of the local electric distribution utility.
See Appendix C-2 to Exhibit B attached.
23. A statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standard and proof thereof.
See exhibit C attached.
24. A statement as to whether the facility's output has been verified by ISO-New England.
The facility's output has been verified by ISO-New England.
25. A description of how the facility's output is reported to the GIS if not verified by ISO-New England.
N/A

EXHIBIT A



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION
STATE HOUSE STATION 17 AUGUSTA, MAINE 04333

DEPARTMENT ORDER

IN THE MATTER OF

| | |
|--------------------------------------|------------------------------------|
| EVERGREEN WIND POWER V LLC/UPC WIND) | SITE LOCATION OF DEVELOPMENT ACT |
| Chester, Penobscot County |) NATURAL RESOURCES PROTECTION ACT |
| LINE 56/STETSON MOUNTAIN |) WATER QUALITY CERTIFICATION |
| TRANSMISSION LINE |) |
| L-23774-24-A-N (approval) |) |
| L-23774-TH-B-N (approval) |) FINDINGS OF FACT AND ORDER |

Pursuant to the provisions of 38 M.R.S.A. Sections 481 *et seq.* and 480-A *et seq.*, and Section 401 of the Federal Water Pollution Control Act, the Department of Environmental Protection has considered the application of EVERGREEN WIND POWER V LLC/UPC WIND with the supportive data, agency review comments, and other related materials on file and FINDS THE FOLLOWING FACTS:

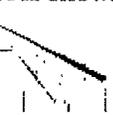
1. PROJECT DESCRIPTION:

A. History: Evergreen Wind Power V LLC/UPC Wind (applicant) proposes to develop 4,800 acres on Stetson Mountain in T8 R3 NBPP and T8 R4 NBPP for the purpose of developing the 57 megawatt (MW) Stetson Wind Project (SWP) consisting of 38 wind turbines. The wind turbine project is located in an unorganized township and falls under the jurisdiction of the Land Use Regulation Commission (LURC). The turbine portion of the project requires that the land be rezoned under LURC regulations. The wind farm and associated facilities, including the substation were approved in LURC permit DP 4788 on January 2, 2008.

The applicant also proposes to construct a 115 kV transmission line from the substation on Stetson Mountain to the existing Bangor Hydro Electric's (BHE) substation in Chester to bring power from the wind farm to the electrical grid. The Department, pursuant to 38 M.R.S.A §488(9)(B) and 38 M.R.S.A §480A-480(B)(B) considered a portion of the project under Site Location of Development Law(Site Law) and the Natural Resources Protection Act (NRPA), the portion consisting of the transmission line from the Stetson Mountain Substation to the BHE Keene Road Switching Station.

B. Summary: The applicant proposes to construct a 38-mile, 115 kV electrical transmission line (T-line) to provide a direct connection from the Stetson Mountain Substation to the BHE, to be known as Line 56. This application covers only the transmission line; the substations are not included with this application. The T-line will start in T8R3 NBPP and end in Chester. Approximately 35% of the T-line will be located within existing utility corridor right-of-way (ROW), either BHE-owned or ROW currently maintained by Eastern Maine Electrical Cooperative (EMEC) or adjacent to an existing railroad corridor. The project is described in detail in section 1 of the application and section 7 of the application, which includes details on the wetland alternatives analysis. The project is shown on a set of plans

Pr
Tr
Julietta Browne



L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

2 of 15

included with the application, the first of which is entitled "Access Points and Roads", prepared by SGC Engineering, LLC with a last revision date of January 11, 2008.

The applicant is also seeking approval under the Natural Resources Protection Act for freshwater wetland alteration consisting of vegetation removal in 81.1 acres of freshwater wetland and 950 square feet of permanent freshwater wetland fill and for significant wildlife habitat alterations consisting of removal of forest canopy within 0.39 acres of significant vernal pool habitat.

The project generated substantial public interest; however no requests for a public hearing or board jurisdiction were received.

C. The site of the proposed project is currently either an existing ROW or undeveloped fields and woodland. There are no structures on the property proposed for development.

2. FINANCIAL CAPACITY:

The total cost of the project is estimated to be \$20,000,000. The applicant submitted a letter from HSH NordBank, dated September 5, 2007, indicating that it is willing to provide financing for this project.

The Department finds that the applicant has demonstrated adequate financial capacity to comply with Department standards provided that prior to construction, the applicant provide the Department with a commitment letter from the financial institution that will be providing financing for the project.

3. TECHNICAL ABILITY:

The applicant provided resume information for key persons involved with the project and a list of projects successfully constructed by the applicant. The applicant also retained the services Stantec/Woodlot Alternatives and SGC Engineering, a professional engineering firm, to assist in the design and engineering of the project.

The Department finds that the applicant has demonstrated adequate technical ability to comply with Department standards.

4. NOISE:

The proposed project would increase sound levels in the vicinity of the project during construction and routine operation. Pursuant to the Site Law, 38 M.R.S.A. Section 483-A (3), noise generated by construction of a development during daylight hours is not regulated under the No Adverse Effect on the Natural Environment standard. Incidental blasting may be necessary for the installation of some of the poles located within the ROW of the 115kV transmission line, see discussion in Finding 8 of this Order.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

3 of 15

According to the applicant, the sound levels generated by the transmission line during routine operation would be inaudible to a person with normal hearing under fair weather conditions. The sound from the project, a transmission line only, would be a minor noise source. Therefore, the Department finds that no regulated sources of noise have been identified.

The Department finds that the applicant has made adequate provision for the control of excessive environmental noise from the proposed project.

5. SCENIC CHARACTER:

Approximately 35% of the line has been located largely adjacent to an existing power or rail line to limit the scenic impact. In the area not co-located, the applicant has taken into consideration the impacts on the scenic character of the land and located the line to limit such impacts. These considerations are discussed extensively in section 6 of the application.

Based on the project's location and design, the Department finds that the proposed project will not have an unreasonable adverse effect on the scenic character of the surrounding area.

6. WILDLIFE AND FISHERIES:

The Maine Department of Inland Fisheries & Wildlife (MDIFW) reviewed the proposed project.

Deer Wintering Habitat: The T-line passes through 2 deer wintering habitats, one not mapped, the other known as P-FW 100286 which is located at the border of Prentiss Twp T7R3 NBPP and Carroll Plantation. The T-line will occupy a land area of approximately 9 acres in P-FW 100286 (P-FW). The P-FW is located entirely within Land Use Regulation Commission (LURC) territory and has been heavily altered by recent logging activities. The yard is currently forested with moderate understory regeneration as a result of the recent cutting activity. MDIFW recommends the following take place;

1. The applicant shall create and manage at least two travel corridors within the T-line section that passes through the P-FW. These travel corridors will help maintain connectivity between the permanently fragmented portions of the P-FW. The travel corridors will consist of two locations in which the clearing of forest vegetation within the T-line right-of-way will be limited to selective cutting to maintain a primarily forested connection between each side of the cleared right-of-way; or at a minimum reduce the width of the cleared opening at two locations. Supplemental planting may also be an option in addition to leaving natural vegetation. The locations and widths of the corridors shall be determined in consultation with MDIFW and DEP staff in the field; and
2. That the width of the right-of-way transmission line corridor where it passes thru the P-FW be minimized as much as possible.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

4 of 15

In addition, MDIFW recommends that the applicant provide compensation for the impacts associated with the construction of the T-line within the deer wintering area. Given the degraded nature of the existing deer wintering habitat due to previous logging activity, the Department is satisfied that the mitigation proposed by the applicant, as outlined above, is adequate to compensate for the deer wintering habitat impacts.

Significant Vernal Pool Habitat: During the evaluation of the transmission line corridor, 3 significant vernal pools were identified. Significant vernal pool habitat on the applicants property for 2 of the identified significant vernal pools (SVP2-2) and (SVP2-4) will not consist of less than 75% forested cover type after the T-line is constructed. The remaining significant vernal pool (SVP1-1) will contain less than 75% forested cover type within the applicant's property after the final construction of the T-line. The proposed T-line will be constructed adjacent to a portion of an existing transmission line and will include 0.39 acres (16,988 sq ft) of additional impact to the significant vernal pool habitat. The impact will consist of vegetative clearing above 8 feet tall that will increase the amount of non-forested cover type within the overall habitat from the 59% predevelopment condition to 65% post development condition. MDIFW acknowledges that the significant vernal pool habitat has already been degraded by the existing development within the overall habitat, however, the increase in the amount of lost forested cover within the habitat as a direct result of this project will contribute to an additional loss of habitat functions and values. As a result MDIFW recommends that the applicants mitigate for the lost functions and values. The applicant shall submit, for review and approval a mitigation/compensation plan to address the impacts association with the lost significant vernal pool habitat functions and values. The mitigation/compensation plan shall:

1. Include a detailed vegetation management strategy which details how the non-forested area within the applicant's property and/or within the overall significant vernal pool habitat shall be managed to ensure that vegetative cover is provided to minimize the effects of the development on amphibian migration. The development of the vegetation management plan shall be completed in consultation with MDIFW and DEP staff and must be submitted to the department for review and approval no later than September 15, 2008
2. Identify appropriate off site significant vernal pool habitat within the same geographic region as the proposed project. The amount of significant vernal pool upland habitat must meet, at a minimum a 4:1 ratio and include the preservation of at a minimum 1.5 acres. The identification of the proposed mitigation area shall be completed in consultation with MDIFW and DEP staff. The proposed mitigation plan must include provisions for the placement of the protected habitat into a conservation easement or similar protection mechanism in accordance with department policy and must be submitted to the department for review and approval no later than September 15, 2008.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

5 of 15

3. No later than October 1, 2008, submit to the Department a contribution into the in-lieu-fee "Natural Resource Mitigation Fund" a sum not less than in the amount of \$8,072 to replace lost significant vernal pool functions and values.

The Department finds that the applicant has made adequate provision for the protection of wildlife and fisheries provided that the conditions listed in Finding 6 are implemented and maintained.

7. HISTORIC SITES AND UNUSUAL NATURAL AREAS:

The Maine Historic Preservation Commission reviewed the proposed project and stated that it will have no effect upon any structure or site of historic, architectural, or archaeological significance as defined by the National Historic Preservation Act of 1966.

The Maine Natural Areas Program database does not contain any records documenting the existence of rare or unique botanical features on the project site and, as discussed in Finding 6, MDIFW did not identify any unusual wildlife habitats located on the project site. The applicant's consultant surveyed the proposed project site and confirmed that no unusual features exist on-site.

The Department finds that the proposed development will not have an adverse effect on the preservation of any historic sites or unusual natural areas either on or near the development site.

8. BUFFER STRIPS:

Multiple streams occur within the 115kV transmission line ROW. In order to reduce impacts to these streams, the applicant is proposing to maintain vegetative buffers on all perennial streams and rivers. These buffers will be measured horizontally from the top of the bank, and range from 25-feet to 75-feet depending on the waterbody. The types and management of buffers is detailed in Section 10 of the application. In some locations, the buffers may be wider due to the characteristics of the existing vegetation and topography.

Cutting in riparian buffer zones will be limited to ensure a greater amount of protection than otherwise seen in typical cutting practices. During construction, only capable species (tree species that are capable of reaching the conductor wire) and trees that are greater than 8 to 10 feet tall will be removed at ground level. No other vegetation, other than dead or hazard trees, will be removed. In order to remove these trees, mechanical harvesters will be used, as under most circumstances, these machines will be able to reach into the buffer area and cut or remove trees, thereby minimizing travel into the buffers. However, in areas where equipment has limited reach, some access areas may need to be established within the buffers, as outlined in section 10 of the application. These access areas will measure 10 to 12 feet in width and will only be located in the area immediately adjacent to the trees that need to be removed. Only capable species, dead or hazard trees, or trees that could prevent the harvesting equipment from operating efficiently and safely along the access lanes, will be removed. All existing low vegetation will remain.

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L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

6 of 15

Vegetation maintenance within stream buffers will generally be conducted on a 3 to 4 year cycle depending on growth and vegetation. Only capable species greater than 8 to 10 feet tall will be removed. Removal of these species will be done by hand cutting only, with limited use of motorized equipment in areas that are directly accessible from public or private access roads. In addition, no herbicides will be used, stored, mixed, or transferred from container to container within the buffers and no refueling or maintenance of equipment will be allowed. Desirable species, including grasses, tree saplings and shrubs will be allowed to grow to their naturally occurring height. The establishment of these species will be achieved through the removal of taller, competing species through selective management practices as outlined in the Vegetation Management Plan, which has been identified in Section 10 of the application, as appendix 10-1.

The waterbody and riparian buffers have been designed to provide one or more of the following functions:

- Prevent soil erosion and sedimentation of surface waters;
- Slow the velocity, increase the infiltration and otherwise remove sediment and other contaminants in runoff before it enters surface waters;
- Reduce accessibility of all-terrain vehicles to streams;
- Provide shade to reduce the warming effect of sunlight on water temperature; and
- Provide cover and habitat for wildlife that use riparian habitats.

The Department finds that the applicant has made adequate provision for buffer strips. The applicant is not proposing to utilize any formal buffer strips for the proposed project.

9. SOILS:

The applicant submitted a soil survey map and report based on the soils found at the project site. This report was prepared by a certified soils scientist and reviewed by staff from the Division of Environmental Assessment of the Bureau of Land and Water Quality (DEA). DEA also reviewed a Blasting Plan submitted by the applicant and outlining the proposed procedures for removing ledge. If blasting is used the following performance standards must be met;

- a) ground vibration at offsite structures may not exceed the limits shown in Figure B-1 of Appendix B, U.S. Bureau of Mines Report of Investigations 8507;
- b) air overpressure offsite at inhabitable residences may not exceed the limits provided at Department Rules Chapter 375.10(C)(4)(c) and 38 MRSA §490-Z(14)(H);
- c) flyrock must be controlled so as to remain on the site; and
- d) records of blasts generally consistent with the requirements of 38 MRSA §490-Z (14) (L) must be kept and provided to the Department if requested (the Department generally

L-23774-24-A-N (approval)
L-23774-YH-B-N (approval)

7 of 15

does not consider such records incomplete if the social security number of the blaster is not included).

The Department finds that, based on these reports and the Blasting Plan, and DEA's review, the soils on the project site present no limitations to the proposed project that cannot be overcome through standard engineering practices.

10. STORMWATER MANAGEMENT:

The proposed project includes no impervious surface area and an approximately 28.3 linear mile by 100-foot to 150-foot wide project area, with less than 1 acre of developed area. It is within the watershed of multiple resources and is entirely within the Penobscot River Watershed, none of which are classified as "At Risk" under Chapter 502 of Department Rules. The applicant submitted a stormwater management plan based on the basic, general and flooding standards contained in Department Rules, Chapter 500. The proposed stormwater management system consists of basic erosion and sedimentation controls for the disturbed area.

A. Basic Standards:

(1) Erosion and Sedimentation Control: The applicant submitted an Erosion and Sedimentation Control Plan (Section 14 of the application) that is based on the performance standards contained in Appendix A of Chapter 500 and the Best Management Practices outlined in the Maine Erosion and Sediment Control BMP's, which were developed by the Department. This plan and plan sheets containing erosion control details were reviewed by, and revised in response to, comments of the Division of Watershed Management (DWM) of the Bureau of Land and Water Quality (BLWQ)

Erosion control details will be included on the final construction plans and the erosion control narrative will be included in the project specifications to be provided to the construction contractor.

Given the size and nature of the project site, the applicant must retain the services of a third party inspector in accordance with the Special Condition for Third Party Inspection Program, which is attached to this Order.

(2) Inspection and Maintenance: The applicant submitted a maintenance plan that addresses both short and long-term maintenance requirements. This plan was reviewed by, and revised in response to the comments of DWM. The maintenance plan is based on the standards contained in Appendix B of Chapter 500. The applicant will be responsible for the maintenance of all common facilities including the stormwater management system.

(3) Housekeeping: The proposed project will comply with the performance standards outlined in Appendix C of Chapter 500.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

8 of 15

Based on DWM's review of the erosion and sedimentation control plan and the maintenance plan, the Department finds that the proposed project meets the Basic Standards contained in Chapter 500(4) (A).

B. General Standard:

The project is a utility corridor and satisfies the following criteria: (i) the project does not include impervious areas; (ii) disturbed areas will be restored to pre-construction contours and will be revegetated following construction; (iii) mowing of the revegetated right-of-way will not occur more than once during any twelve month period; and (iv) a vegetation management plan for the project has been reviewed and approved by the department. Therefore the applicant is exempt from the general standards of the stormwater law pursuant to Chapter 500, Section 4,B(3)(d).

Based on the stormwater system's design and DWM's review, the Department finds that the applicant has made adequate provision to ensure that the proposed project will meet the Chapter 500, General Standards.

C. Flooding Standard:

The applicant is proposing to utilize a stormwater management system based on estimates of pre- and post-development stormwater runoff flows obtained by using Hydrocad, a stormwater modeling software that utilizes the methodologies outlined in Technical Releases #55 and #20, U.S.D.A., Soil Conservation Service) and detains stormwater from 24-hour storms of 2-, 10-, and 25-year frequency. The post-development peak flow from the site will not exceed the pre-development peak flow from the site.

Based on the system's design and DWM's review, the Department finds that the applicant has made adequate provision to ensure that the proposed project will meet the Chapter 500, Flooding Standard for peak flow from the project site, and channel limits and runoff areas.

11. GROUNDWATER:

Portions of the project are located over mapped sand and gravel aquifers. The proposed project does not propose any withdrawal from, or discharge to, the groundwater. The applicant submitted a Spill Prevention, Containment and Clean-up (SPCC) plan for review.

The Department finds that the proposed project will not pose an unreasonable risk that a discharge to a significant groundwater aquifer will occur. Therefore the Department further finds that the proposed project will not have an unreasonable adverse effect on ground water quality or quantity.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

9 of 15

12. WATER SUPPLY and WASTEWATER DISPOSAL:

The project, a transmission line, does not require on-going water or wastewater disposal facilities.

13. SOLID WASTE:

All marketable wood will be removed from the site; most stumps will be left in place. All stumps and grubblings generated will be disposed of on site, either chipped or burned, with the remainder to be worked into the soil, in compliance with Solid Waste Management Regulations of the State of Maine.

The proposed project will generate approximately 530 cubic yards of construction debris and demolition debris. All construction and demolition debris generated will be disposed of at Pine Tree Waste Services, which is currently in substantial compliance with the Solid Waste Management Regulations of the State of Maine.

Based on the above information, the Department finds that the applicant has made adequate provision for solid waste disposal.

14. FLOODING:

The Department finds that the proposed project is unlikely to cause or increase flooding or cause an unreasonable flood hazard to any structure.

15. WETLAND IMPACTS:

The applicant proposes to permanently alter 950 square feet of freshwater wetland for pole placement and alter, by removing vegetation, 81.1 acres.

Multiple small streams will be crossed; the Mattawamkeag Stream will be crossed twice, once by an existing utility line crossing and once downstream from an existing utility line crossing. The T-line also crosses the Penobscot River. The crossing occurs just downriver of the confluence of the Mattawamkeag and the Penobscot and is located between an existing powerline crossing and an active railroad bridge crossing. All waterbody crossings and cutting of wetland areas will follow the standard cutting plan for linear projects submitted in section 14 of the application. In addition to the cutting, this plan also details a vegetation management program limiting the use of herbicides in sensitive areas (Section 10 of the application).

The Department's Wetlands and Waterbodies Protection Rules, Chapter 310, interpret and elaborate on the Natural Resources Protection Act criteria for obtaining a permit. The rules guide the Department in its determination of whether a proposed project's impacts would be unreasonable as that term is used in the statute.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

10 of 15

A. Avoidance. Under the rules, a proposed project's impacts would generally be found to be unreasonable if the project would cause a loss in wetland area, functions and values and there is a practicable alternative to the project that would be less damaging to the environment. Each application for a freshwater wetland permit must provide an analysis of alternatives in order to demonstrate that a practicable alternative does not exist. The applicant submitted an alternative analysis for the proposed project completed by Woodlot Alternatives in September 2007. The applicant has co-located approximately 35% of the new transmission line to limit impacts on resources. The applicant's goal was to find the alternative that was the most economically feasible and had the least amount of environmental impacts.

Evaluation and selection of the transmission route was made based the following values: 1) total route length; 2) proximity to and likely impact to sensitive natural resources; 3) accessibility for construction; and 4) property ownership. Route selection was conducted in a phased manner, by first identifying the nearest existing substations and transmission lines and identifying potential corridors to these utilities. Potential routes were examined and compared based on these values, allowing the applicant to arrive at the best possible route. Finally, a field examination and detailed study were used to refine the route to avoid and minimize impacts to wetlands, sensitive habitats and other natural resources.

The landscape features in the vicinity of the proposed project site were fairly consistent for several miles in any direction; therefore, no single route alternative was an obvious best choice due to apparent minimal environmental impact. Potential impacts on natural resources were considered to be similar on a per-mile basis between potential routing corridors; therefore, total route length was a significant factor in route comparison, as a proxy for environmental impact. The other major factors considered were: avoidance of natural resources that cannot be spanned by the transmission line support structures, rare species habitat, scenic views, paralleling existing linear structures such as existing transmission line ROW's, and current land ownership.

Once the final corridor route was selected, the applicant further avoided impacts to natural resources by designing the proposed transmission line so as to avoid placing the pole structures and access roads in the wetlands to the greatest extent practical. The design standards for structure placement includes maintaining a 75-foot setbacks from all streams, 75-foot setbacks from all vernal pools and where possible, a 25-foot setback from wetlands. No structures will be placed within 25-feet of a stream, and where possible no closer to 75 feet on Salmon streams to allow for taller structures and additional vegetation growth as indicated in the construction plan. Access roads were chosen based on their condition, with maintained gravel roads being the preferred option as primary access to the proposed transmission line ROW. Where this type of road is not available in a segment of the transmission line corridor, the intent is to travel in the proposed ROW rather than creating a new travel corridor.

B. Minimal Alteration. The Department examines whether the amount of freshwater wetland to be altered was kept to the minimum amount necessary for meeting the overall purpose of the project. Limited permanent direct impact is proposed for the transmission line,

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

11 of 15

the applicant will be permanently altering 950 square feet of wetland. These impacts are necessary due to the constraints of constructing a power line.

A total of 81.1 acres of forested wetland located within the proposed ROW will be converted to scrub-shrub and/or emergent communities. These scrub-shrub and emergent wetland communities will be spanned by transmission cables and will possibly need trimming or other maintenance in the future. Adverse impacts to scrub-shrub wetland are not anticipated as most of the shrub heights are below the necessary minimum clearance height for the transmission line conductor wires. During construction, shrubs that exceed clearance height will be trimmed or removed and these activities are anticipated to have minimal impact on habitat values and other wetland functions. Spanning emergent wetlands will also have no impact on habitat values and other wetland functions. If any extensive shrub or tree growth occurs in the emergent wetlands, maintenance to trim individual plants will be required.

Wetland functions and values relating to hydrology and recreation will not be altered by the construction of the transmission line. Habitat values will be modified when forested wetlands are converted to scrub-shrub and/or emergent communities. Habitat for avian species that use a forested canopy will lose that portion of their habitat, however, those species that use open or successional habitats will benefit from this conversion.

C. Compensation. Compensation is not required if less than 15,000 square feet of freshwater wetland, not of special significance, is proposed to be altered, provided that there will be a minimal effect on the wetland's functions and values, pursuant to Chapter 310 (5)(C)(6)(a). The applicant proposes to permanently alter 950 square feet of forested freshwater wetland; a total of 81.1 acres of forested wetland located within the proposed ROW will be converted to scrub-shrub and/or emergent communities. The Department finds that this alteration is the minimum amount necessary to construct the project due to the nature of the project. Therefore, the Department finds that no compensation is required.

The Department finds that the applicant has avoided and minimized wetland and waterbody impacts to the greatest extent practicable, and that the proposed project represents the least environmentally damaging alternative that meets the overall purpose of the project.

16. AIR QUALITY:

During construction, some dust may be created; however, the contractor will be responsible for controlling dust so that it does not become a nuisance. Some burning of slash and wood debris may also take place during construction; however, all burning will be done in compliance with local fire regulations and only at times when atmospheric conditions do not cause the smoke to become a nuisance. Exhaust emissions from construction equipment will be short-term as local equipment will be moving on a continuous basis.

The Department finds that no significant source of air emissions has been identified.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

12 of 15

17. ODORS:

Some slash and wood-waste may be burned on-site during construction; however, all burning will be done in compliance with local fire regulations and in compliance with Rules for Open Burning, 06-096 Code of Maine Rules (CMR 102) and only at times when atmospheric conditions do not cause the smoke to become a nuisance. Limited short-term odor may be generated by exhaust from timber harvesting and construction equipment, which will generally be moving on a daily basis.

The Department finds that no significant sources of odors have been identified.

18. EXISTING USES AND EXISTING UTILITIES

The Department received comments from Brookfield Power New England, LLC (BPNE) concerning the capacity of Line 64 and its use of that line. BPNE contends that the use of Line 64 by Stetson Power would have an unreasonable adverse effect on existing uses of the area and existing utilities. Line 64, which begin at the Chester substation and ends at a large substation in Veazie, is owned and maintained by Bangor Hydroelectric (BHE). BPNE currently transmits power over Line 64 and is concerned with the capacity of Line 64 to concurrently transmit power from BPNE's hydroelectric dams and the applicant's power from the Stetson Wind Farm. BPNE argues that if there is insufficient capacity, the power from the Stetson Wind Farm project may be given priority and displace BPNE power from line 64 and the ISO-NE grid. However, BPNE indicated in a letter to the Department that they have a "firm" offer of transmission and the applicant will only be offered a "conditional firm" offer of service.

BPNE asserts that existing uses, specifically its priority to use Line 64, would be unreasonably adversely affected. The Department considers the evaluation of the priorities assigned to different potential users of an existing electrical transmission line to be outside the general scope of review of the Site Law. BPNE also claims that the Alternatives Analysis submitted as Section 1A of the application gives the Department incorrect information with regard to the claim of the ISO-New England electrical grid connection at Chester. Based on information provided to the Department from both the applicant and the Public Utilities Commission, the Keene Road Switching Station is a connection to the ISO-NE Grid as is true of any transmission line which connects into the grid.

The Department finds that the applicant has adequately addressed impacts to existing uses and that the project will not have an unreasonable adverse impact on and existing uses or existing utilities in the area.

BASED on the above findings of fact, and subject to the conditions listed below, the Department makes the following conclusions pursuant to 38 M.R.S.A. Sections 480-A et seq. and Section 401 of the Federal Water Pollution Control Act:

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

13 of 15

- A. The proposed activity will not unreasonably interfere with existing scenic, aesthetic, recreational, or navigational uses.
- B. The proposed activity will not cause unreasonable erosion of soil or sediment.
- C. The proposed activity will not unreasonably inhibit the natural transfer of soil from the terrestrial to the marine or freshwater environment.
- D. The proposed activity will not unreasonably harm any significant wildlife habitat, freshwater wetland plant habitat, threatened or endangered plant habitat, aquatic habitat, travel corridor, freshwater, estuarine, or marine fisheries or other aquatic life.
- E. The proposed activity will not unreasonably interfere with the natural flow of any surface or subsurface waters.
- F. The proposed activity will not violate any state water quality law including those governing the classifications of the State's waters.
- G. The proposed activity will not unreasonably cause or increase the flooding of the alteration area or adjacent properties.
- H. The proposed activity is not on or adjacent to a sand dune.
- I. The proposed activity is not on an outstanding river segment as noted in 38 M.R.S.A. Section 480-P.

BASED on the above findings of fact, and subject to the conditions listed below, the Department makes the following conclusions pursuant to 38 M.R.S.A. Sections 481 et seq.:

- A. The applicant has provided adequate evidence of financial capacity and technical ability to develop the project in a manner consistent with state environmental standards.
- B. The applicant has made adequate provision for fitting the development harmoniously into the existing natural environment and the development will not adversely affect existing uses, scenic character, air quality, water quality or other natural resources in the municipality or in neighboring municipalities.
- C. The proposed development will be built on soil types which are suitable to the nature of the undertaking and will not cause unreasonable erosion of soil or sediment nor inhibit the natural transfer of soil.
- D. The proposed development meets the standards for storm water management in Section 420-D and the standard for erosion and sedimentation control in Section 420-C.

L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

14 of 15

- E. The proposed development will not pose an unreasonable risk that a discharge to a significant groundwater aquifer will occur.
- F. The applicant has made adequate provision of utilities, including water supplies, sewerage facilities, solid waste disposal and roadways required for the development and the development will not have an unreasonable adverse effect on the existing or proposed utilities and roadways in the municipality or area served by those services.
- G. The activity will not unreasonably cause or increase the flooding of the alteration area or adjacent properties nor create an unreasonable flood hazard to any structure.

THEREFORE, the Department APPROVES the application of EVERGREEN WIND POWER V, LLC/UPC WIND to construct a 38-mile, 115kV electrical transmission line, SUBJECT TO THE FOLLOWING CONDITIONS and all applicable standards and regulations:

1. The Standard Conditions of Approval, a copy attached.
2. In addition to any specific erosion control measures described in this or previous orders, the applicant shall take all necessary actions to ensure that their activities or those of their agents do not result in noticeable erosion of soils or fugitive dust emissions on the site during the construction and operation of the project covered by this approval.
3. Severability. The invalidity or unenforceability of any provision, or part thereof, of this License shall not affect the remainder of the provision or any other provisions. This License shall be construed and enforced in all respects as if such invalid or unenforceable provision or part thereof had been omitted.
4. The applicant or other responsible party shall, within three months of the expiration of each five-year interval from the date of this Order, submit a report certifying that the items listed in Department Rules, Chapter 500, Appendix B(4) have been completed in accordance with the approved plans.
5. The applicant shall submit to the Department for review and approval, no later than September 15, 2008 a significant vernal pool mitigation/compensation plan as outlined further in finding of fact #6 of this Order. If the applicant has not obtained approval from the department on the significant vernal pool mitigation/compensation plan by October 1, 2008, the applicant shall submit a check in the amount of \$8072.00 as a contribution into the in-lieu-fee natural resource mitigation fund.
6. The applicant shall retain the services of a third party inspector in accordance with the Special Condition for Third Party Inspection Program, which is attached to this Order.
7. Prior to construction, the applicant shall provide the Department with a commitment letter from the financial institution that will be providing financing for the project.

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L-23774-24-A-N (approval)
L-23774-TH-B-N (approval)

15 of 15

- 8. Given the size and nature of the project site, the applicant must retain the services of a third party inspector in accordance with the Special Condition for Third Party Inspection Program, which is attached to this Order.

THIS APPROVAL DOES NOT CONSTITUTE OR SUBSTITUTE FOR ANY OTHER REQUIRED STATE, FEDERAL OR LOCAL APPROVALS NOR DOES IT VERIFY COMPLIANCE WITH ANY APPLICABLE SHORELAND ZONING ORDINANCES.

DONE AND DATED AT AUGUSTA, MAINE, THIS 18TH DAY OF March, 2008.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: 
 DAVID P. LITTELL, COMMISSIONER

PLEASE NOTE THE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: September 7, 2007
Date of application acceptance: September 28, 2007

Date of initial receipt of application: September 7, 2007
Date of application acceptance: September 28, 2007

Date filed with Board of Environmental Protection
RC/66414/23774

SITE LOCATION OF DEVELOPMENT (SITE)
STANDARD CONDITIONS

STRICT CONFORMANCE WITH THE STANDARD AND SPECIAL CONDITIONS OF THIS APPROVAL IS NECESSARY FOR THE PROJECT TO MEET THE STATUTORY CRITERIA FOR APPROVAL.

1. This approval is dependent upon and limited to the proposals and plans contained in the application and supporting documents submitted and affirmed to by the applicant. Any variation from the plans, proposals and supporting documents is subject to the review and approval of the Board prior to implementation. Further subdivision of proposed lots by the applicant or future owners is specifically prohibited, without prior approval by the Board of Environmental Protection, and the applicant shall include deed restrictions to this effect.
2. The applicant shall secure and comply with all applicable Federal, State and local licenses, permits, authorizations, conditions, agreements, and orders, prior to or during construction and operation as appropriate.
3. The applicant shall submit all reports and information requested by the Board or Department demonstrating that the applicant has complied or will comply with all conditions of this approval. All preconstruction terms and conditions must be met before construction begins.
4. Advertising relating to matters included in this application shall refer to this approval only if it notes that the approval has been granted **WITH CONDITIONS**, and indicates where copies of those conditions may be obtained.
5. Unless otherwise provided in this approval, the applicant shall not sell, lease, assign or otherwise transfer the development or any portion thereof without prior written approval of the Board where the purpose or consequence of the transfer is to transfer any of the obligations of the developer as incorporated in this approval. Such approval shall be granted only if the applicant or transferee demonstrates to the Board that the transferee has the technical capacity and financial ability to comply with conditions of this approval and the proposals and plans contained in the application and supporting documents submitted by the applicant.
6. If the construction or operation of the activity is not begun within two years, this approval shall lapse and the applicant shall reapply to the Board for a new approval. The applicant may not begin construction or operation of the development until a new approval is granted. Reapplications for approval shall state the reasons why the development was not begun within two years from the granting of the initial approval and the reasons why the applicant will be able to begin the activity within two years from the granting of a new approval, if granted. Reapplications for approval may include information submitted in the initial application by reference.
7. If the approved development is not completed within five years from the date of the granting of approval, the Board may reexamine its approval and impose additional terms or conditions or prescribe other necessary corrective action to respond to significant changes in circumstances which may have occurred during the five-year period.
8. A copy of this approval must be included in or attached to all contract bid specifications for the development.
9. Work done by a contractor pursuant to this approval shall not begin before the contractor has been shown by the developer a copy of this approval.

(2/81)/Revised November 1, 1979

DEPLW 0429



NATURAL RESOURCE PROTECTION ACT (NRPA) STANDARD CONDITIONS

THE FOLLOWING STANDARD CONDITIONS SHALL APPLY TO ALL PERMITS GRANTED UNDER THE NATURAL RESOURCE PROTECTION ACT, TITLE 38, M.R.S.A. SECTION 480-A ET.SEQ. UNLESS OTHERWISE SPECIFICALLY STATED IN THE PERMIT.

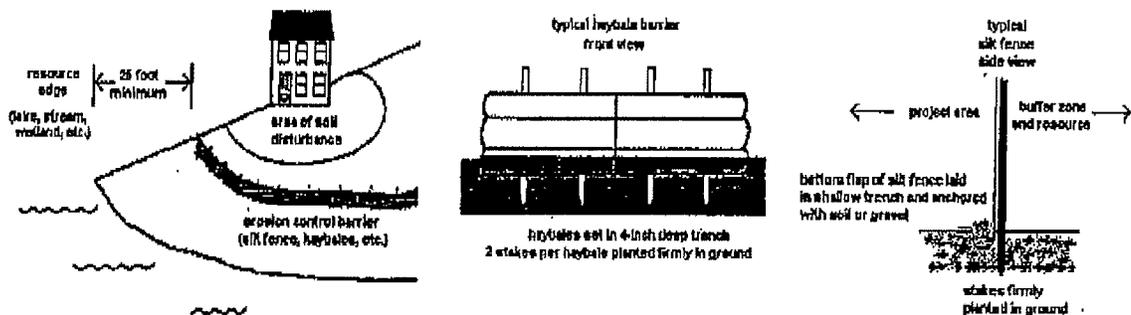
- A. **Approval of Variations From Plans.** The granting of this permit is dependent upon and limited to the proposals and plans contained in the application and supporting documents submitted and affirmed to by the applicant. Any variation from these plans, proposals, and supporting documents is subject to review and approval prior to implementation.
- B. **Compliance With All Applicable Laws.** The applicant shall secure and comply with all applicable federal, state, and local licenses, permits, authorizations, conditions, agreements, and orders prior to or during construction and operation, as appropriate.
- C. **Erosion Control.** The applicant shall take all necessary measures to ensure that his activities or those of his agents do not result in measurable erosion of soils on the site during the construction and operation of the project covered by this Approval.
- D. **Compliance With Conditions.** Should the project be found, at any time, not to be in compliance with any of the Conditions of this Approval, or should the applicant construct or operate this development in any way other the specified in the Application or Supporting Documents, as modified by the Conditions of this Approval, then the terms of this Approval shall be considered to have been violated.
- E. **Initiation of Activity Within Two Years.** If construction or operation of the activity is not begun within two years, this permit shall lapse and the applicant shall reapply to the Board for a new permit. The applicant may not begin construction or operation of the activity until a new permit is granted. Reapplications for permits shall state the reasons why the applicant will be able to begin the activity within two years form the granting of a new permit, if so granted. Reapplications for permits may include information submitted in the initial application by reference.
- F. **Reexamination After Five Years.** If the approved activity is not completed within five years from the date of the granting of a permit, the Board may reexamine its permit approval and impose additional terms or conditions to respond to significant changes in circumstances which may have occurred during the five-year period.
- G. **No Construction Equipment Below High Water.** No construction equipment used in the undertaking of an approved activity is allowed below the mean high water line unless otherwise specified by this permit.
- H. **Permit Included In Contract Bids.** A copy of this permit must be included in or attached to all contract bid specifications for the approved activity.
- I. **Permit Shown To Contractor.** Work done by a contractor pursuant to this permit shall not begin before the contractor has been shown by the applicant a copy of this permit.



Erosion Control

Before Construction

1. If you have hired a contractor, make sure you have discussed your permit with them. Talk about what measures they plan to take to control erosion. Everybody involved should understand what the resource is and where it is located. Most people could identify the edge of a lake or a river. The edges of wetlands, however, are often not obvious. Your contractor may be the person actually pushing dirt around but you are both responsible for complying with the permit.
2. Call around and find sources for your erosion controls. You will probably need silt fence, hay bales and grass seed or conservation mix. Some good places to check are feed stores, hardware stores, landscapers and contractor supply houses. It is not always easy to find hay or straw during late winter and early spring. It may also be more expensive during those times of year. Plan ahead. Purchase a supply early and keep it under a tarp.
3. Before any soil is disturbed, make sure an erosion control barrier has been installed. The barrier can be either a silt fence, a row of staked hay bales, or both. Use the drawings below as a guide for correct installation and placement. The barrier should be placed as close as possible to the activity.
4. If a contractor is installing the barrier, double check it as a precaution. Erosion control barriers should be installed "on the contour", meaning at the same level along the land slope, whenever possible. This keeps stormwater from flowing to the lowest point of the barrier where it builds up and overflows or destroys it.



During Construction

1. Use lots of hay or straw mulch on disturbed soil. The idea behind mulch is to prevent rain from striking the soil directly. It is the force of raindrops striking the soil that causes a lot of erosion. More than 90% of erosion is prevented by keeping the soil covered.
2. Inspect your erosion control barriers frequently. This is especially important after a rainfall. If there is muddy water leaving the project site, then your erosion controls are not working as intended. In that situation, stop work and figure out what can be done to prevent more soil from getting past the barrier.

After Construction

1. After the project is complete, replant the area. All ground covers are not equal. For instance, a mix of creeping red fescue and Kentucky bluegrass is a good choice for lawns and other high maintenance areas. The same mix would not be a good choice for stabilizing a road shoulder or a cut bank that you don't intend to mow.
2. If you finish your project after September 15, then do not spread grass seed. There is a very good chance that the seed will germinate and be killed by a frost before it has a chance to become established. Instead, mulch the site with a thick layer of hay or straw. In the spring, rake off the mulch and seed the area. Don't forget to mulch again to hold in moisture and prevent the seed from washing away.
3. Keep your erosion control barrier up and maintained until the area is permanently stabilized.

EXHIBIT B

~~confidential~~
~~Hayes Robbins~~
~~Millbank~~

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

~~Jun 25, 2009 15:34 GMT-04:AST, EDT~~ Agreement No. LGIA-ISONE/BHE-07-1

STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

BY AND AMONG

ISO NEW ENGLAND INC.

AND

BANGOR HYDRO-ELECTRIC COMPANY

AND

EVERGREEN WIND POWER V, LLC

Issued by: Kathleen A. Carrigan
Senior Vice President and General Counsel
Issued on: December 4, 2007

Effective Date: December 7, 2007

~~confidential~~
~~Hayes Robbins~~
~~Millbank~~

~~Jun 25, 2009 16:34 GMT-04:AST, EDT~~

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT FOR THE STETSON WIND PROJECT

THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this [insert day] day of [insert month year], by and between Evergreen Wind Power V, LLC, a limited liability company organized and existing under the laws of the State of Delaware ("Interconnection Customer") with a Large Generating Facility, and Bangor Hydro-Electric Company, a company existing under the laws of the State of Maine ("Interconnecting Transmission Owner"), and ISO New England, Inc., a non-stock corporation organized and existing under the laws of the State of Delaware ("System Operator"). Under this Agreement the Interconnection Customer, System Operator, and Interconnecting Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, System Operator is the central dispatching agency provided for under the Transmission Operating Agreement ("TOA") which has responsibility for the operation of the New England Control Area from the System Operator control center and the administration of the Tariff and

WHEREAS, Interconnecting Transmission Owner is the owner or possessor of an interest in the Administered Transmission System; and

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Generating Facility identified as a Large Generating Facility in Appendix C to this Agreement; and,

WHEREAS, System Operator, Interconnection Customer and Interconnecting Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility to the Administered Transmission System;

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

When used in this Standard Large Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used.

ARTICLE 1. DEFINITIONS

The definitions contained in this Article 1 and those definitions embedded in an Article of this Agreement are intended to apply in the context of the generator interconnection process provided for in Schedule 22 (and its appendices). To the extent that the definitions herein are different than those contained in Sections I.2.2 and II.1 of the Tariff, the definitions provided below shall control only for purposes of generator interconnections under Schedule 22. Capitalized terms in Schedule 22 that are not defined in this Section 1 shall have the meanings specified in Sections I.2.2 and II.1 of the Tariff.

Administered Transmission System shall mean the PTF, the Non-PTF, the MEPCO Transmission System and distribution facilities that are subject to the Tariff.

Adverse System Impact shall mean any significant negative effects on the stability, reliability or operating characteristics of the electric system.

Affected System shall mean any electric system that is within the Control Area, including, but not limited to, generator owned transmission facilities, or any other electric system that is not within the Control Area that may be affected by the proposed interconnection.

Affected Party or Parties shall mean the entity that owns, operates or controls an Affected System, or any other entity that otherwise may be a necessary party to the interconnection process.

Affiliate shall mean, with respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

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

Applicable Reliability Council shall mean the reliability council applicable to the New England Transmission System.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the NPCC and the New England Control Area, including publicly available local reliability requirements of Interconnecting Transmission Owners or other Affected Parties.

Base Case Data shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements.

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

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together for the purpose of conducting the Interconnection System Impact Study.

Commercial Operation shall mean the status of a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation.

Commercial Operation Date of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Confidential Information shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise. Confidential Information shall include, but not be limited to, information that is confidential pursuant to the ISO New England Information Policy.

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

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

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

Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by the Commission or if filed unexecuted, upon the date specified by the Commission.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is likely to endanger life or property; or (2) that, in the case of the Interconnecting Transmission Owner, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the New England Transmission System, Interconnecting Transmission Owner's Interconnection Facilities or any Affected System to which the New England Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Standard Large Generator Interconnection Agreement to possess black start capability.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Interconnection Customer, Interconnecting Transmission Owner and any other

Affected Party to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.*

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Generating Facility Capacity shall mean the maximum gross megawatt electrical output at an ambient temperature of 20 degrees F of the Generating Facility and the aggregate maximum gross megawatt electrical output at an ambient temperature of 20 degrees F of the Generating Facility where it includes multiple energy production devices.

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

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

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

Initial Synchronization Date shall mean the date upon which the Generating Facility is initially synchronized and upon which Trial Operation begins.

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

Interconnecting Transmission Owner shall mean a Transmission Owner that owns, leases or otherwise possesses an interest in the portion of the Administered Transmission System at the Point of Interconnection and shall be a Party to the Standard Large Generator Interconnection Agreement. The term Interconnecting Transmission Owner shall not be read to include the System Operator.

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

Interconnection Customer shall mean any entity, including a transmission owner or its Affiliates or subsidiaries, that proposes to interconnect its Generating Facility with the Administered Transmission System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment

necessary to physically and electrically interconnect the Generating Facility to the Administered Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

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

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

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

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Administered Transmission System, the scope of which is described in Section 6 of the Standard Large Generator Interconnection Procedures. The Interconnection Customer has the option to request either that the Interconnection Feasibility Study be completed as a separate and distinct study, or as part of the Interconnection System Impact Study. If the Interconnection Customer requests that the Interconnection Feasibility Study be completed as part of the Interconnection System Impact Study, Section 6 shall be performed as the first step of the Interconnection System Impact Study, and shall be regarded as part of the Interconnection System Impact Study. When the requirements of Section 6 are performed as part of the Interconnection System Impact Study, the Interconnection Customer shall be responsible only for the deposit requirements of the Interconnection System Impact Study, and there shall be only one final report, which will include the results of both Section 6 and Section 7.

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

Interconnection Request (a) shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard Large Generator Interconnection Procedures, in accordance with the Tariff, to: (i) interconnect a new Generating Facility to the Administered Transmission System, or (ii) increase the capacity of, make a Material Modification to the design or operating characteristics of, or commence participation in the wholesale markets by, an existing Generating Facility that is interconnected with the Administered Transmission System; (b) shall not include: (i) a retail customer interconnecting a new Generating Facility that will produce electric energy to be consumed only on the retail customer's site; (ii) a request to interconnect a new Generating Facility to a distribution facility that is subject to the Tariff if the Interconnection Customer does not intend to make wholesale sales of electricity in interstate commerce; or (iii) a request to interconnect a Qualifying Facility (as defined by the Public Utility Regulatory Policies Act, as amended by the Energy Policy Act of 2005 and the regulations thereto), where the Qualifying Facility's owner intent is to sell 100% of the Qualifying Facility's output to its interconnected electric utility..

Interconnection Service shall mean the service provided by System Operator and the Interconnecting Transmission Owner, associated with interconnecting the Interconnection Customer's Generating Facility to the Administered Transmission System and enabling the receipt of electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Standard Large Generator Interconnection Agreement and, if applicable, the Tariff.

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

Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Administered Transmission System and any other Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on Adverse System Impacts, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Standard Large Generator Interconnection Procedures. If the Interconnection Customer requests that the Interconnection Feasibility Study be completed as part of the Interconnection System Impact Study, Section 6 shall be performed as the first step of the Interconnection System Impact Study, and shall be regarded as part of the Interconnection System Impact Study. When the requirements of Section 6 are performed as part of the Interconnection System Impact Study, the Interconnection Customer shall be responsible only for the deposit requirements of the Interconnection System Impact Study, and there shall be only one final report, which will include the results of both Section 6 and Section 7.

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

IRS shall mean the Internal Revenue Service.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.

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

Material Modification shall mean (i) except as expressly provided in Section 4.4.1, those modifications to the technical data provided by the Interconnection Customer in Attachment A to the Interconnection Request or to the interconnection configuration, requested by the Interconnection Customer that either require significant additional study of the same Interconnection Request and could substantially change the interconnection design; or have a material impact on the cost or timing of any Interconnection Studies or upgrades associated with an Interconnection Request with a later queue priority date; or (ii) a change to the design or operating characteristics of an existing Generating Facility that is interconnected with the Administered Transmission System which may have a significant adverse effect on the reliability or operating characteristics of the New England Transmission System; or (iii) a delay to the Commercial Operation Date, In-Service Date, or Initial Synchronization Date of greater than three (3) years where the reason for delay is unrelated to construction schedules or permitting which delay is beyond the Interconnection Customer's control.

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

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FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Minimum Interconnection Standard (MIS) shall mean the minimum criteria required to permit the Interconnection Customer to interconnect in a manner that avoids any significant adverse effect on the reliability, stability, and operability of the New England Transmission System, including protecting against the degradation of transfer capability for interfaces affected by the unit.

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

Network Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to interconnect its Large Generating Facility with the Administered Transmission System in a manner comparable to that in which all other Network Resources are

interconnected to the Administered Transmission System under the Minimum Interconnection Standard as set forth in the Tariff.

Network Resource shall mean that portion of a Generating Facility that is interconnected to the Administered Transmission System under the MIS, and designated as a Network Resource pursuant to the terms of the Tariff, eligible to participate in the Markets in accordance with Market Rule 1, and subjected to redispatch directives as ordered by the System Operator in accordance with the Tariff.

Network Upgrades shall mean the additions, modifications, and upgrades to the New England Transmission System required at or beyond the Point of Interconnection to accommodate the interconnection of the Large Generating Facility to the Administered Transmission System.

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

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

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

Party or Parties shall mean the System Operator, Interconnection Customer and Interconnecting Transmission Owner or any combination of the above.

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

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

Queue Position shall mean the order of a valid request in the New England Control Area, relative to all other pending requests in the New England Control Area, that is established based upon the date and time of receipt of such request by the System Operator. Requests are comprised of Interconnection Requests, requests for Elective Transmission Upgrades, requests for transmission service and notification of requests for interconnection to other electric systems, as notified by the other electric systems, that impact the Administered Transmission System.

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

Scoping Meeting shall mean the meeting between representatives of the System Operator, Interconnection Customer, Interconnecting Transmission Owner, or any Affected Party as deemed appropriate by the System Operator in accordance with applicable codes of conduct and confidentiality requirements, conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Site Control shall mean documentation reasonably demonstrating: (a) that the Interconnection Customer is the owner in fee simple of the real property for which new interconnection is sought; or (b) that the Interconnection Customer holds a valid written leasehold interest in the real property for which new interconnection is sought; or (c) that the Interconnection Customer holds a valid written option to purchase or leasehold property for which new interconnection is sought; or (d) that the Interconnection Customer holds a duly executed written contract to purchase or leasehold the real property for which new interconnection is sought; or (e) that the Interconnection Customer has filed applications for required permits to site on federal or state property.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the New England Transmission System during their construction. The System Operator, Interconnection Customer, Interconnecting Transmission Owner, and any Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements, must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement.

Standard Large Generator Interconnection Agreement ("LGIA") shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility, that is included in this Schedule 22 to the Tariff.

Standard Large Generator Interconnection Procedures ("LGIP") shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in this Schedule 22 to the Tariff.

System Operator shall mean ISO New England Inc. or a successor organization.

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

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

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

- 2.1 Effective Date.** This LGIA shall become effective upon execution by the Parties subject to acceptance by the Commission (if applicable), or if filed unexecuted, upon the date specified by the Commission. System Operator and Interconnecting Transmission Owner, shall promptly and jointly file this LGIA with the Commission upon execution in accordance with Section 11.3 of the LGIP and Article 3.1, if required.
- 2.2 Term of Agreement.** This LGIA, subject to the provisions of Article 2.3, and by mutual agreement of the Parties, shall remain in effect for a period of twenty (20) years, but in no case less than ten (10) years from the Effective Date or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter.
- 2.3 Termination Procedures.**

2.3.1 Written Notice. This LGIA may be terminated by the Interconnection Customer, subject to continuing obligations of this LGIA and the Tariff, after giving the System Operator and Interconnecting Transmission Owner ninety (90) Calendar Days advance written notice, or by System Operator or Interconnecting Transmission Owner notifying the Commission after a Generating Facility retires pursuant to the Tariff, provided that if an Interconnection Customer exercises its right to terminate on ninety (90) Calendar Days, any reconnection would be treated as a new interconnection request; or this LGIA may be terminated by Interconnecting Transmission Owner or System Operator by notifying the Commission after the Generating Facility permanently ceases Commercial Operation.

2.3.2 Default. Each Party may terminate this LGIA in accordance with Article 17.

Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing, if applicable, with the Commission of a notice of termination of this LGIA, which notice has been accepted for filing by the Commission. Termination of the LGIA shall not supersede or alter any requirements for deactivation or retirement of a generating unit under ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, each Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other Party(ies), as of the date of such Party's(ies') receipt of such notice of termination, that are the responsibility of such Party(ies) under this LGIA. In the event of termination by a Party, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this LGIA, unless otherwise ordered or approved by the Commission:

2.4.1 With respect to any portion of the Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades to the extent covered by this agreement, that have not yet been constructed or installed, the Interconnecting Transmission Owner shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return,

any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Interconnecting Transmission Owner shall deliver such material and equipment, and, if necessary, and to the extent possible, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Interconnecting Transmission Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, either (i) in the case of overpayment, Interconnecting Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by the Interconnecting Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts, or (ii) in the case of underpayment, Interconnection Customer shall promptly pay such amounts still due plus any costs, including penalties incurred by Interconnecting Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this LGIA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which the Interconnecting Transmission Owner has incurred expenses and has not been reimbursed by the Interconnection Customer.

- 2.4.2 Interconnecting Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which case Interconnecting Transmission Owner shall be responsible for all costs associated with procuring such materials, equipment, or facilities.
- 2.4.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this LGIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

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- 2.5 Disconnection.** Upon termination of this LGIA, Interconnection Service shall terminate and, the Parties will take all appropriate steps to disconnect the Large Generating Facility from the Interconnecting Transmission Owner's Interconnection Facilities. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from a non-terminating Party's Default of this LGIA or such non-terminating Party otherwise is responsible for these costs under this LGIA.
- 2.6 Survival.** This LGIA shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this LGIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this LGIA was in effect; and to permit each Party to have access to the lands of the other Party(ies) pursuant to this LGIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

- 3.1 Filing.** The System Operator and Interconnecting Transmission Owner shall jointly file this LGIA (and any amendment hereto) with the appropriate Governmental Authority, if required, in accordance with Section 11.3 of the LGIP. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If the Interconnection Customer has executed this LGIA, or any amendment thereto, the Interconnection Customer shall reasonably cooperate with the System Operator and Interconnecting Transmission Owner with respect to such filing and to provide any information reasonably requested by the System Operator and/or the Interconnecting Transmission Owner needed to comply with applicable regulatory requirements.

ARTICLE 4. SCOPE OF SERVICE

- 4.1 Network Interconnection Service.** Interconnection Customer has selected the following type of Interconnection Service:
- 4.1.1 The Product.** The System Operator and Interconnecting Transmission Owner must conduct the necessary studies and the Interconnecting Transmission Owner and Affected Parties must construct the Network Upgrades needed to interconnect the Large Generating Facility in a manner comparable to that in which all other

Network Resources are interconnected under the MIS. Network Interconnection Service allows the Interconnection Customer's Large Generating Facility to be designated as a Network Resource, and to participate in the New England Markets, in accordance with Market Rule 1, up to the Large Generating Facility's full output, on the same basis as all other existing Network Resources, and to be studied as a Network Resource on the assumption that such a designation will occur.

- 4.1.2 Transmission Delivery Service Implications.** Network Interconnection Service allows the Interconnection Customer's Large Generating Facility to be designated by any Network Customer under the Tariff on the New England Transmission System as a Network Resource, up to the Large Generating Facility's full output, on the same basis as all other existing Network Resources interconnected to the New England Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Large Generating Facility in the same manner as it accesses Network Resources. A Large Generating Facility receiving Network Interconnection Service may also be used to provide Ancillary Services, in accordance with the Tariff and Market Rule 1, after technical studies and/or periodic analyses are performed with respect to the Large Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Large Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all Generating Facilities that are similarly situated. Network Interconnection Service does not necessarily provide the Interconnection Customer with the capability to physically deliver the output of its Large Generating Facility to any particular load on the New England Transmission System without incurring congestion costs. In the event of transmission constraints on the New England Transmission System, the Interconnection Customer's Large Generating Facility shall be subject to the applicable

congestion management procedures for the New England Transmission System in the same manner as Network Resources.

There is no requirement either at the time of study or interconnection, or at any point in the future, that the Interconnection Customer's Large Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that the Interconnection Customer identify a specific buyer (or sink). To the extent a Network Customer does designate the Large Generating Facility as a Network Resource, it must do so pursuant to the Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Interconnection Service, as long as the Large Generating Facility has not been deemed to be retired, any future transmission service request for delivery from the Large Generating Facility on the New England Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Large Generating Facility be undertaken, regardless of whether or not such Large Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Large Generating Facility. To the extent the Interconnection Customer enters into an arrangement for long-term transmission service for deliveries from the Large Generating Facility outside the New England Transmission System, or if the unit has been deemed to be retired, such request may require additional studies and upgrades in order for Interconnecting Transmission Owner to grant such request.

- 4.2 Provision of Service.** System Operator and Interconnecting Transmission Owner shall provide Interconnection Service for the Large Generating Facility at the Point of Interconnection.
- 4.3 Performance Standards.** Each Party shall perform all of its obligations under this LGIA in accordance with Applicable Laws and Regulations, the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such requirements and standards, such Party shall not be deemed to be in Breach of this LGIA for its compliance therewith. If such Party is the Interconnecting Transmission Owner, then that Party shall amend the LGIA and System Operator, in conjunction with

the Interconnecting Transmission Owner, shall submit the amendment to the Commission for approval.

- 4.4 No Transmission Delivery Service.** The execution of this LGIA does not constitute a request for, nor the provision of, any service except for Interconnection Service, including, but not limited to, transmission delivery service, local delivery service, distribution service, capacity service, energy service, or Ancillary Services under any applicable tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.
- 4.5 Interconnection Customer Provided Services.** The services provided by Interconnection Customer under this LGIA are set forth in Article 9.6 and Article 13.4. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

- 5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either Standard Option or Alternate Option set forth below for completion of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, and such dates and selected option shall be set forth in Appendix B (Milestones). In accordance with Section 8 of the LGIP and unless otherwise mutually agreed, the Alternate Option is not an available option if the Interconnection Customer waived the Interconnection Facilities Study.
- 5.1.1 Standard Option.** The Interconnecting Transmission Owner shall design, procure, and construct the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B (Milestones). The Interconnecting Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event the Interconnecting Transmission Owner reasonably expects that it will not be able to complete the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades by the specified dates, the Interconnecting Transmission

Owner shall promptly provide written notice to the Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

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

If Interconnecting Transmission Owner subsequently fails to complete Interconnecting Transmission Owner's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B (Milestones); Interconnecting Transmission Owner shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by Interconnection Customer shall be extended day for day for each day that the applicable System Operator refuses to grant clearances to install equipment.

- 5.1.3 Option to Build.** If the dates designated by Interconnection Customer are not acceptable to Interconnecting Transmission Owner, the Interconnecting Transmission Owner shall so notify the Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Article 5.1.2. The System Operator, Interconnecting Transmission Owner, Interconnection Customer, and any Affected Party as deemed appropriate by System Operator in accordance with applicable codes of conduct and confidentiality requirements must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix

A to the LGIA. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option. If the Interconnection Customer elects not to exercise its option under Article 5.1.3 (Option to Build), Interconnection Customer shall so notify Interconnecting Transmission Owner within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Interconnecting Transmission Owner is responsible for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Interconnecting Transmission Owner shall assume responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1 (Standard Option).

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

(1) the Interconnection Customer shall engineer, procure equipment, and construct the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Interconnecting Transmission Owner;

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

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

- (3) Interconnecting Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) prior to commencement of construction, Interconnection Customer shall provide to Interconnecting Transmission Owner a schedule for construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Interconnecting Transmission Owner;
- (5) at any time during construction, Interconnecting Transmission Owner shall have the right to gain unrestricted access to the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;
- (6) at any time during construction, should any phase of the engineering, equipment procurement, or construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Interconnecting Transmission Owner, the Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) the Interconnection Customer shall indemnify the Interconnecting Transmission Owner for claims arising from the Interconnection Customer's construction of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 (Indemnity);
- (8) the Interconnection Customer shall transfer control of Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the Interconnecting Transmission Owner;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Interconnecting Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Interconnecting Transmission Owner;

(10) Interconnecting Transmission Owner shall approve and accept for operation and maintenance the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

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

5.3 Liquidated Damages. The actual damages to the Interconnection Customer, in the event the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades are not completed by the dates designated by the Interconnection Customer and accepted by the Interconnecting Transmission Owner pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by the Interconnecting Transmission Owner to the Interconnection Customer in the event that Interconnecting Transmission Owner does not complete any portion of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to $\frac{1}{2}$ of 1 percent per day of the actual cost of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, in the aggregate, for which Interconnecting Transmission Owner has assumed responsibility to design, procure and construct.

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

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades to take the delivery of power for the Large Generating Facility's Trial Operation or to export power from the Large Generating Facility on the specified dates, unless the Interconnection Customer would have been able to commence use of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades to take the delivery of power for Large Generating Facility's Trial Operation or to export power from the Large Generating Facility, but for Interconnecting Transmission Owner's delay; (2) the Interconnecting Transmission Owner's failure to meet the specified dates is the result of the action or inaction of the Interconnection Customer or any other Interconnection Customer who has entered into an LGIA with the Interconnecting Transmission Owner or any cause beyond Interconnecting Transmission Owner's reasonable control or reasonable ability to cure, including, but not limited to, actions by the System Operator that cause delays and/or delays in licensing, permitting or consents where the Interconnecting Transmission Owner has pursued such licenses, permits or consents in good faith; (3) the Interconnection Customer has assumed responsibility for the design, procurement and construction of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

- 5.4 Power System Stabilizers.** If a Power System Stabilizer is required to be installed on the Large Generating Facility for the purpose of maintaining system stability, the Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the System Operator and Interconnecting Transmission Owner, and consistent with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The System Operator and Interconnecting Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, the Interconnection Customer shall immediately notify the System Operator and Interconnecting Transmission Owner, or their designated representative. The requirements of this paragraph shall not apply to non-synchronous power production equipment.
- 5.5 Equipment Procurement.** If responsibility for construction of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by

the Interconnecting Transmission Owner, then the Interconnecting Transmission Owner shall commence design of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless the Parties otherwise agree in writing:

- 5.5.1** The Interconnecting Transmission Owner has completed the Facilities Study pursuant to the Facilities Study Agreement;
 - 5.5.2** The Interconnecting Transmission Owner has received written authorization to proceed with design and procurement from the Interconnection Customer by the date specified in Appendix B (Milestones); and
 - 5.5.3** The Interconnection Customer has provided security to the Interconnecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B (Milestones).
- 5.6 Construction Commencement.** The Interconnecting Transmission Owner shall commence construction of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:
- 5.6.1** Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;
 - 5.6.2** Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades;
 - 5.6.3** The Interconnecting Transmission Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix B (Milestones); and
 - 5.6.4** The Interconnection Customer has provided security to Interconnecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B (Milestones).

- 5.7 Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from the other Parties. If, at any time, the Interconnection Customer determines that the completion of the Interconnecting Transmission Owner's Interconnection Facilities will not be required until after the specified In-Service Date, the Interconnection Customer will provide written notice to the Interconnecting Transmission Owner of such later date upon which the completion of the Interconnecting Transmission Owner's Interconnection Facilities will be required.
- 5.8 Information Exchange.** As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the New England Transmission System, and shall work diligently and in good faith to make any necessary design changes.
- 5.9 Limited Operation.** If any of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Large Generating Facility, System Operator and the Interconnecting Transmission Owner shall, upon the request and at the expense of Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Large Generating Facility and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. System Operator and Interconnecting Transmission Owner shall permit Interconnection Customer to operate the Large Generating Facility and the Interconnection Customer Interconnection Facilities in accordance with the results of such studies.
- 5.10 Interconnection Customer's Interconnection Facilities ("ICIF").** Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades).
- 5.10.1 Large Generating Facility Specifications.** Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Interconnecting Transmission Owner at least one hundred eighty (180)

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Interconnecting Transmission Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of the Interconnecting Transmission Owner and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Interconnecting Transmission Owner's Review. Interconnecting Transmission Owner's review of Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Interconnecting Transmission Owner, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of the Interconnecting Transmission Owner.

5.10.3 ICIF Construction. The ICIF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Interconnection Customer shall deliver to the Interconnecting Transmission Owner "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the Large Generating Facility and the ICIF, plan and elevation drawings showing the layout of the ICIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Interconnection Customer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the ICIF, and the impedances (determined by factory tests) for the associated step-up transformers and the Large Generating Facilities. The Interconnection Customer shall provide Interconnecting Transmission Owner specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Interconnecting Transmission Owner's Interconnection Facilities Construction. The Interconnecting Transmission Owner's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, the Interconnecting Transmission Owner shall deliver to the Interconnection Customer the following "as-built" drawings, information and documents for the Interconnecting Transmission Owner's Interconnection Facilities: [include appropriate drawings and relay diagrams].

The System Operator will obtain operational control of the Interconnecting Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities pursuant to the TOA.

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at the incremental cost to another Party ("Access Party") any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents if allowed under the applicable agency agreement, that are necessary to enable the Access Party solely to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Large Generating Facility with the Administered Transmission System; (ii) operate and maintain the Large Generating Facility, the Interconnection Facilities and the New England Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this LGIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

5.13 Lands of Other Property Owners. If any part of the Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Interconnecting Transmission Owner, the Interconnecting Transmission Owner shall at Interconnection Customer's expense use Reasonable Efforts, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct,

operate, maintain, test, inspect, replace or remove the Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades upon such property. Notwithstanding the foregoing, the Interconnecting Transmission Owner shall not be obligated to exercise eminent domain authority in a manner inconsistent with Applicable Laws and Regulations or when an Interconnection Customer is authorized under Applicable Laws and Regulations to exercise eminent domain on its own behalf.

- 5.14 Permits.** System Operator, Interconnecting Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Interconnecting Transmission Owner shall provide permitting assistance to the Interconnection Customer comparable to that provided to the Interconnecting Transmission Owner's own, or an Affiliate's generation.
- 5.15 Early Construction of Base Case Facilities.** Interconnection Customer may request Interconnecting Transmission Owner to construct, and Interconnecting Transmission Owner shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades required for Interconnection Customer to be interconnected to the Administered Transmission System, which are included in the Base Case of the Facilities Study for the Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date. The Interconnection Customer shall reimburse the Interconnecting Transmission Owner for all costs incurred related to early construction to the extent such costs are not recovered from other Interconnection Customers included in the base case.
- 5.16 Suspension.** Interconnection Customer reserves the right, upon written notice to Interconnecting Transmission Owner and System Operator, to suspend at any time all work by Interconnecting Transmission Owner associated with the construction and installation of Interconnecting Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that the New England Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the System Operator's and Interconnecting Transmission Owner's safety and reliability criteria. In such event, Interconnection Customer shall be

responsible for all reasonable and necessary costs which Interconnecting Transmission Owner (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New England Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Interconnecting Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Interconnecting Transmission Owner shall obtain Interconnection Customer's authorization to do so.

Interconnecting Transmission Owner shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Interconnecting Transmission Owner required under this LGIA pursuant to this Article 5.16, and has not requested Interconnecting Transmission Owner to recommence the work required under this LGIA on or before the expiration of three (3) years following commencement of such suspension, this LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Interconnecting Transmission Owner and System Operator, if no effective date is specified.

5.17 Taxes.

5.17.1 Payments Not Taxable. The Parties intend that all payments or property transfers made by any Party for the installation of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants. In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity generated at the Large Generating Facility will pass to another party prior to the transmission of the electricity on the New England Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Interconnecting Transmission

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Owner for the Interconnecting Transmission Owner's Interconnection Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Interconnecting Transmission Owner's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Large Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Interconnecting Transmission Owner's request, Interconnection Customer shall provide Interconnecting Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Interconnecting Transmission Owner represents and covenants that the cost of the Interconnecting Transmission Owner's Interconnection Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Interconnecting Transmission Owner. Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Interconnecting Transmission Owner from the cost consequences of any current tax liability imposed against Interconnecting Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner under this LGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Interconnecting Transmission Owner.

The Interconnecting Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this LGIA unless (i) Interconnecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner should be

reported as income subject to taxation or (ii) any Governmental Authority directs Interconnecting Transmission Owner to report payments or property as income subject to taxation; provided, however, that Interconnecting Transmission Owner may require Interconnection Customer to provide security, in a form reasonably acceptable to Interconnecting Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Interconnecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Interconnecting Transmission Owner of the amount due, including detail about how the amount was calculated.

The indemnification obligation shall terminate at the earlier of (1) the expiration of the ten year testing period, and the applicable statute of limitation, as it may be extended by the Interconnecting Transmission Owner upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article 5.17.

5.17.4 Tax Gross-Up Amount. Interconnection Customer's liability for the cost consequences of any current tax liability under this Article 5.17 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the parties, this means that Interconnection Customer will pay Interconnecting Transmission Owner, in addition to the amount paid for the Interconnection Facilities and Network Upgrades, an amount equal to (1) the current taxes imposed on Interconnecting Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Interconnecting Transmission Owner as a result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner under this LGIA (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit the Interconnecting Transmission Owner to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (i) Current Taxes shall be computed based on Interconnecting Transmission Owner composite federal and state tax rates at the time the payments or property transfers are received and Interconnecting Transmission Owner will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (ii) the Present Value Depreciation Amount shall be computed by discounting Interconnecting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Interconnecting Transmission Owner current weighted average cost of capital. Thus, the formula for calculating Interconnection Customer's liability to Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$. Interconnection Customer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades).

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

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

5.17.6 Subsequent Taxable Events. If, within ten (10) years from the date on which the relevant Interconnecting Transmission Owner's Interconnection Facilities are placed in service, (i) Interconnection Customer Breaches the covenant contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this LGIA terminates and Interconnecting Transmission Owner retains ownership of the Interconnection Facilities and Network Upgrades, the Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Interconnecting Transmission Owner, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

5.17.7 Contests. In the event any Governmental Authority determines that Interconnecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Interconnecting Transmission Owner shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Interconnecting Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Interconnecting Transmission Owner may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Interconnecting Transmission Owner reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Interconnecting Transmission Owner shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Interconnecting Transmission Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, documented reasonable costs of prosecuting such appeal, protest, abatement or other contest. At any time during the contest, Interconnecting Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining

written advice from nationally -recognized tax counsel, selected by Interconnecting Transmission Owner, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Interconnecting Transmission Owner for the tax at issue in the contest.

5.17.8 Refund. In the event that (a) a private letter ruling is issued to Interconnecting Transmission Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Interconnecting Transmission Owner under the terms of this LGIA is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Interconnecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Interconnecting Transmission Owner under the terms of this LGIA is not taxable to Interconnecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Interconnection Customer to Interconnecting Transmission Owner are not subject to federal income tax, or (d) if Interconnecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Interconnecting Transmission Owner pursuant to this LGIA, Interconnecting Transmission Owner shall promptly refund to Interconnection Customer the following:

- (i) any payment made by Interconnection Customer under this Article 5.17 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon,

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

(ii) interest on any amounts paid by Interconnection Customer to Interconnecting Transmission Owner for such taxes which Interconnecting Transmission Owner did not submit to the taxing authority, interest calculated in accordance with the methodology set forth in the Commission's regulations at 18 CFR §35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Interconnecting Transmission Owner refunds such payment to Interconnection Customer, and

(iii) with respect to any such taxes paid by Interconnecting Transmission Owner, any refund or credit Interconnecting Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to the Interconnecting Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Interconnecting Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Interconnecting Transmission Owner will remit such amount promptly to Interconnection Customer only after and to the extent that Interconnecting Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to the Interconnecting Transmission Owner's Interconnection Facilities.

The intent of this provision is to leave parties, to the extent practicable, in the event that no taxes are due with respect to any payment for Interconnection Facilities and Network Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes. Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Interconnecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Interconnecting Transmission Owner for which Interconnection Customer may be required to reimburse Interconnecting Transmission Owner under the terms of this LGIA. Interconnection Customer shall pay to Interconnecting Transmission

Owner on a periodic basis, as invoiced by Interconnecting Transmission Owner, Interconnecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Interconnecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Interconnecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Interconnecting Transmission Owner.

5.18 Tax Status. Each Party shall cooperate with the others to maintain the other Party's(ies)' tax status. Nothing in this LGIA is intended to adversely affect any Interconnecting Transmission Owner's tax-exempt status with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. Either Interconnection Customer or Interconnecting Transmission Owner may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, the facilities of any Affected Parties, or the New England Transmission System, that Party shall provide to the other Parties and any Affected Party: (i) sufficient information regarding such modification so that the other Party(ies) may evaluate the potential impact of such modification prior to commencement of the work; and (ii) such information as may be required by the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party(ies) at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably

be withheld, conditioned or delayed. Notwithstanding the foregoing, no party shall be obligated to proceed with a modification that would constitute a Material Modification or an Interconnection Request under the LGIP, except as provided under and pursuant to the LGIP.

In the case of Large Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Interconnecting Transmission Owner shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the New England Transmission System, Interconnecting Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

5.19.2 Standards. Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this LGIA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Interconnecting Transmission Owner makes to the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System to facilitate the interconnection of a third party to the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System, or to provide transmission service to a third party under the Tariff, except as provided for under the Tariff or any other applicable tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Customer Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, the Interconnecting Transmission Owner shall test Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades and

Interconnection Customer shall test the Large Generating Facility and the Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall generate test energy at the Large Generating Facility only if it has arranged for the delivery of such test energy.

- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Interconnection Customer and Interconnecting Transmission Owner shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, as may be necessary to ensure the continued interconnection of the Large Generating Facility to the Administered Transmission System in a safe and reliable manner. The Interconnection Customer and Interconnecting Transmission Owner each shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's(ies') facilities, at the requesting Party's expense, as may be in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The System Operator shall also have the right to require reasonable additional testing of the other Party's (ies') facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 6.3 Right to Observe Testing.** Each Party shall notify the System Operator and other Party(ies) in advance of its performance of tests of its Interconnection Facilities. The other Party(ies) has the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to: (i) observe the other Party's(ies') tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's(ies') System Protection Facilities and other protective equipment; and (iii) review the other Party's(ies') maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Each Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Parties. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element

or condition of the Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be governed by Article 22.

ARTICLE 7. METERING

- 7.1 General.** Each Party shall comply with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, regarding metering. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment. Unless the System Operator otherwise agrees, the Interconnection Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under this Tariff and to communicate the information to the System Operator. Unless otherwise agreed, such equipment shall remain the property of the Interconnecting Transmission Owner.
- 7.2 Check Meters.** Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Interconnecting Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this LGIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Interconnecting Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Interconnecting Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards and the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 7.4 Testing of Metering Equipment.** Interconnecting Transmission Owner shall inspect and test all Interconnecting Transmission Owner-owned Metering Equipment upon installation and thereafter as specified in the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Interconnecting Transmission

Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than the values specified within ISO New England Operating Documents, or successor documents, from the measurement made by the standard meter used in the test, the Interconnecting Transmission Owner shall adjust the measurements, in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

- 7.5 Metering Data.** At Interconnection Customer's expense, metered data shall be telemetered to one or more locations designated by System Operator and Interconnecting Transmission Owner. The hourly integrated metering, established in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, used to transmit Megawatt hour ("MWh") per hour data by electronic means and the Watt-hour meters equipped with kilowatt-hour ("kwh") or MWh registers to be read at month's end shall be the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection. Instantaneous metering is required for all Generators in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 8. COMMUNICATIONS

- 8.1 Interconnection Customer Obligations.** Interconnection Customer shall maintain satisfactory operating communications with the System Operator and Interconnecting Transmission Owner in accordance with applicable provisions of ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 8.2 Remote Terminal Unit.** Prior to the Initial Synchronization Date of the Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer or Interconnecting Transmission Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by System Operator and Interconnecting Transmission Owner through use of a dedicated point-to-point data circuit(s). The communication protocol for the data circuit(s) shall be

specified by System Operator and Interconnecting Transmission Owner. All information required by the ISO New England Operating Documents, or successor documents, must be telemetered directly to the location(s) specified by System Operator and Interconnecting Transmission Owner.

Each Party will promptly advise the other Party(ies) if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party(ies). The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible.

- 8.3 No Annexation.** Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

ARTICLE 9. OPERATIONS

- 9.1 General.** Each Party shall comply with applicable provisions of ISO New England Operating Documents, Reliability Standards, or successor documents, regarding operations. Each Party shall provide to the other Party(ies) all information that may reasonably be required by the other Party(ies) to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 Control Area Notification.** Before Initial Synchronization Date, the Interconnection Customer shall notify the System Operator and Interconnecting Transmission Owner in writing in accordance with ISO New England Operating Documents, Reliability Standards, or successor documents. If the Interconnection Customer elects to have the Large Generating Facility dispatched and operated from a remote Control Area other than the Control Area in which the Large Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs and ISO New England Operating Documents, Reliability Standards, or successor documents, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8 of this LGIA, and remote Control Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Large Generating Facility in the other Control Area for dispatch and operations.

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- 9.3 Interconnecting Transmission Owner and System Operator Obligations.** Interconnecting Transmission Owner and System Operator shall cause the Interconnecting Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this LGIA and ISO New England Operating Documents, Reliability Standards, or successor documents. Interconnecting Transmission Owner or System Operator may provide operating instructions to Interconnection Customer consistent with this LGIA, ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and Interconnecting Transmission Owner's and System Operator's operating protocols and procedures as they may change from time to time. Interconnecting Transmission Owner and System Operator will consider changes to their operating protocols and procedures proposed by Interconnection Customer.
- 9.4 Interconnection Customer Obligations.** Interconnection Customer shall at its own expense operate, maintain and control the Large Generating Facility and the Interconnection Customer Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA and ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 9.5 Start-Up and Synchronization.** The Interconnection Customer is responsible for the proper start-up and synchronization of the Large Generating Facility to the New England Transmission System in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 9.6 Reactive Power.**
- 9.6.1 Power Factor Design Criteria.** Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the System Operator or Interconnecting Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis and in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The requirements of this paragraph shall not apply to wind generators.
- 9.6.2 Voltage Schedules.** Once the Interconnection Customer has synchronized the Large Generating Facility to the New England Transmission System,

Interconnection Customer shall operate the Large Generating Facility at the direction of System Operator and Interconnecting Transmission Owner in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, regarding voltage and provide voltage schedules in accordance with such requirements.

9.6.2.1 Voltage Regulators. The Interconnection Customer must keep and maintain a voltage regulator on all generating units comprising a Generator in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. All interconnected generators that have, or are required to have, automatic voltage regulation shall normally operate the Large Generating Facility with its voltage regulators in automatic operation.

It is the responsibility of the Interconnection Customer to maintain the voltage regulator in good operating condition and promptly report to the System Operator and Interconnecting Transmission Owner any problems that could cause interference with its proper operation.

9.6.2.2 Governor Control. The Interconnection Customer is obligated to provide and maintain a functioning governor on all Generating Facilities in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.6.2.3 System Protection. The Interconnection Customer shall install and maintain protection systems in accordance with applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, regarding system protection.

9.6.3 Payment for Reactive Power.

Interconnection Customers shall be compensated for Reactive Power service in accordance with Schedule 2 of the Tariff.

9.7 Outages and Interruptions.

9.7.1 Outages.

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- 9.7.1.1 Outage Authority and Coordination.** The System Operator shall have the authority to coordinate facility outages in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Each Party may in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, in coordination with the other Party(ies), remove from service any of its respective Interconnection Facilities or Network Upgrades that may impact the other Party's(ies') facilities as necessary to perform maintenance or testing or to install or replace equipment, subject to the oversight of System Operator in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 9.7.1.2 Outage Schedules.** Outage scheduling, and any related compensation, shall be in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 9.7.2 Interruption of Service.** In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, the System Operator or Interconnecting Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect System Operator's or Interconnecting Transmission Owner's ability to perform such activities as are necessary to safely and reliably operate and maintain the New England Transmission System.
- 9.7.3 Under-Frequency and Over Frequency Conditions.** Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the applicable provisions of ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Large Generating Facility response to frequency deviations of pre-determined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with System Operator and Interconnecting Transmission Owner in accordance with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.4 System Protection and Other Control Requirements.

9.7.4.1 System Protection Facilities. Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Large Generating Facility or the Interconnection Customer Interconnection Facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. Interconnecting Transmission Owner shall install at Interconnection Customer's expense, in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, any System Protection Facilities that may be required on the Interconnecting Transmission Owner Interconnection Facilities or the New England Transmission System as a result of the interconnection of the Large Generating Facility and the Interconnection Customer Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other systems in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.4.3 Each Party shall be responsible for protection of its facilities consistent with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.4.4 Each Party's protective relay design shall allow for tests required in Article 6.

9.7.4.5 Each Party will test, operate and maintain System Protection Facilities in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

9.7.5 Requirements for Protection. In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, and compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Large Generating Facility to any short circuit occurring on the New England Transmission System not otherwise

isolated by Interconnecting Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New England Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the New England Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties.

Interconnection Customer shall be responsible for protection of the Large Generating Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Large Generating Facility and Interconnection Customer's other equipment if conditions on the New England Transmission System could adversely affect the Large Generating Facility.

9.7.6 Power Quality. A Party's facilities shall not cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard.

9.8 Switching and Tagging Rules. Each Party shall provide the other Party(ies) with a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.9 Use of Interconnection Facilities by Third Parties.

9.9.1 Purpose of Interconnection Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Large Generating Facility to the Administered Transmission System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow

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FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

one or more third parties to use the Interconnecting Transmission Owner's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Interconnecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed-upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Interconnecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed-upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to the Commission for resolution.

- 9.10 Disturbance Analysis Data Exchange.** The Parties will cooperate with one another in the analysis of disturbances to either the Large Generating Facility or the New England Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 10. MAINTENANCE

- 10.1 Interconnecting Transmission Owner and Customer Obligations.** Interconnecting Transmission Owner and Interconnection Customer shall each maintain that portion of its respective facilities that are part of the New England Transmission System and the Interconnecting Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 10.2 Operating and Maintenance Expenses.** Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Interconnection Customer shall be

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 - Large Generator Interconnection Agreement

responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Interconnecting Transmission Owner's Interconnection Facilities, Stand Alone Network Upgrades, Network Upgrades and Distribution Upgrades.

ARTICLE 11. PERFORMANCE OBLIGATION

- 11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer Interconnection Facilities described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades) at its sole expense.
- 11.2 Interconnecting Transmission Owner's Interconnection Facilities.** Interconnecting Transmission Owner shall design, procure, construct, install, own and/or control the Interconnecting Transmission Owner's Interconnection Facilities described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades) at the sole expense of the Interconnection Customer.
- 1.3 Network Upgrades and Distribution Upgrades.** Interconnecting Transmission Owner shall design, procure, construct, install, and own the Network Upgrades, and to the extent provided by Article 5.1, Stand Alone Network Upgrades, and Distribution Upgrades described in Appendix A (Interconnection Facilities, Network Upgrades and Distribution Upgrades). The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless the Interconnecting Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by the Interconnection Customer.
- 11.4 Cost Allocation; Compensation; Rights; Affected Systems**
- 11.4.1 Cost Allocation.** Cost allocation of Generator Interconnection Related Upgrades shall be in accordance with Schedule 11 of the Tariff.
- 11.4.2 Compensation.** Any compensation due to the Interconnection Customer for increases in transfer capability to the PTF resulting from its Generator Interconnection Related Upgrade shall be determined in accordance with Market Rule 1 and the Tariff.

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- 11.4.3 Rights.** Notwithstanding any other provision of this LGIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades.
- 11.4.4 Special Provisions for Affected Systems.** The Interconnection Customer shall enter into separate related facilities agreements to address any upgrades to the Affected System(s) that are necessary for safe and reliable interconnection of the Interconnection Customer's Generating Facility.
- 11.5 Provision of Security.** At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of an Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Interconnecting Transmission Owner a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Interconnecting Transmission Owner in accordance with Section 7 of Schedule 11 of the Tariff. In addition:
- 11.5.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Interconnecting Transmission Owner, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.
- 11.5.2** The letter of credit must be issued by a financial institution reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.
- 11.5.3** The surety bond must be issued by an insurer reasonably acceptable to Interconnecting Transmission Owner and must specify a reasonable expiration date.
- 11.6 Interconnection Customer Compensation.** If System Operator or Interconnecting Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.4.1 of this LGIA,

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 -- Large Generator Interconnection Agreement

Interconnection Customer shall be compensated pursuant to the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition. Interconnection Customer shall be compensated for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the New England Transmission System during an Emergency Condition in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 12. INVOICE

- 12.1 General.** Each Party shall submit to the other Party(ies), on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party(ies) under this LGIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.
- 12.2 Final Invoice.** Within six months after completion of the construction of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades, Interconnecting Transmission Owner shall provide an invoice of the final cost of the construction of the Interconnecting Transmission Owner's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Interconnecting Transmission Owner shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice. Interconnection Customer shall pay to Interconnecting Transmission Owner any amount by which the actual payment by Interconnection Customer for estimated costs falls short of the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.
- 12.3 Payment.** Invoices shall be rendered to the paying Party at the address specified in Appendix F. The Party receiving the invoice shall pay the invoice within thirty (30)

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Calendar Days of receipt. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by any Party will not constitute a waiver of any rights or claims the other Party(ies) may have under this LGIA.

- 12.4 Disputes.** In the event of a billing dispute between Interconnecting Transmission Owner and Interconnection Customer, Interconnecting Transmission Owner shall continue to provide Interconnection Service under this LGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Interconnecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Interconnecting Transmission Owner may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in the Commission's Regulations at 18 CFR § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

- 13.1 Obligations.** Each Party shall comply with the Emergency Condition procedures of the System Operator in accordance with the applicable provisions of the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.
- 13.2 Notice.** Interconnecting Transmission Owner or System Operator as applicable shall notify Interconnection Customer and System Operator or Interconnecting Transmission Owner as applicable, promptly when it becomes aware of an Emergency Condition that affects the Interconnecting Transmission Owner's Interconnection Facilities or the New England Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Large Generating Facility or the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Interconnecting Transmission Owner and System Operator promptly when it becomes aware of an Emergency Condition that affects the Large Generating Facility or the Interconnection Customer Interconnection Facilities that may reasonably be expected to affect the New England Transmission System or the Interconnecting Transmission Owner's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected

effect on the operation of Interconnection Customer's or Interconnecting Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Interconnecting Transmission Owner and System Operator, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Large Generating Facility or the Interconnection Customer Interconnection Facilities in response to an Emergency Condition either declared by the Interconnecting Transmission Owner or the System Operator or otherwise regarding the New England Transmission System.

13.4 System Operator's and Interconnecting Transmission Owner's Authority.

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

System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility or the Interconnection Customer Interconnection Facilities. System Operator and Interconnecting Transmission Owner may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 13.4.2; directing the Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Large Generating Facility and the Interconnection Customer Interconnection Facilities. Interconnection Customer shall comply with all of

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

System Operator's and Interconnecting Transmission Owner's operating instructions concerning Large Generating Facility real power and reactive power output within the manufacturer's design limitations of the Large Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.4.2 Reduction and Disconnection. System Operator and Interconnecting Transmission Owner may reduce Interconnection Service or disconnect the Large Generating Facility or the Interconnection Customer Interconnection Facilities when such reduction or disconnection is necessary in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. These rights are separate and distinct from any right of curtailment of the System Operator and Interconnecting Transmission Owner pursuant to the Tariff. When the System Operator and Interconnecting Transmission Owner can schedule the reduction or disconnection in advance, System Operator and Interconnecting Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. System Operator and Interconnecting Transmission Owner shall coordinate with the Interconnection Customer in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents to schedule the reduction or disconnection during periods of least impact to the Interconnection Customer and the System Operator and Interconnecting Transmission Owner. Any reduction or disconnection shall continue only for so long as reasonably necessary in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. The Parties shall cooperate with each other to restore the Large Generating Facility, the Interconnection Facilities, and the New England Transmission System to their normal operating state as soon as practicable in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

13.5 Interconnection Customer Authority. In accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents and the LGIA and the LGIP, the Interconnection Customer may take whatever actions or inactions with regard to the Large Generating Facility or the Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public

health and safety, (ii) preserve the reliability of the Large Generating Facility or the Interconnection Customer's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New England Transmission System and the Interconnecting Transmission Owner's Interconnection Facilities. System Operator and Interconnecting Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

- 13.6 Limited Liability.** Except as otherwise provided in Article 11.6.1 of this LGIA, a Party shall not be liable to another Party for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

- 14.1 Regulatory Requirements.** Each Party's obligations under this LGIA shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this LGIA shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 1935, as amended. To the extent that a condition arises that could result in Interconnection Customer's inability to obtain, or its loss of, status or exemption under the Federal Power Act, the Public Utility Holding Company Act of 1935, as amended, or the Public Utility Regulatory Policies Act of 1978, the Parties shall engage in good faith negotiations to address the condition so that such result will not occur and so that the Interconnection Agreement can be performed.

14.2 Governing Law.

- 14.2.1** The validity, interpretation and performance of this LGIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

14.2.2 This LGIA is subject to all Applicable Laws and Regulations.

14.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 15. NOTICES

15.1 General. Unless otherwise provided in this LGIA, any notice, demand or request required or permitted to be given by a Party to another Party and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F (Addresses for Delivery of Notices and Billings).

A Party may change the notice information in this LGIA by giving five (5) Business Days written notice prior to the effective date of the change.

15.2 Billings and Payments. Billings and payments shall be sent to the addresses set out in Appendix F.

15.3 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to another Party and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.

15.4 Operations and Maintenance Notice. Each Party shall notify the other Party(ies) in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 A Party shall not be considered to be in Default with respect to any obligation hereunder (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party(ies) in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 Default.

17.1.1 General. No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this LGIA or the result of an act or omission of the other Party(ies). Upon a Breach, the non-Breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this Article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party(ies) shall have the right to terminate this LGIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this LGIA, to recover from

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

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

Notwithstanding any other provision of this Agreement, the liability, indemnification and insurance provisions of the Transmission Operating Agreement ("TOA") or other applicable operating agreements shall apply to the relationship between the System Operator and the Interconnection Transmission Owner and the liability, indemnification and insurance provisions of the Tariff apply to the relationship between the System Operator and the Interconnection Customer and between the Interconnecting Transmission Owner and the Interconnection Customer.

18.1 Indemnity. Each Party shall at all times indemnify, defend, and save the other Party(ies) 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(ies') action or inactions of their obligations under this LGIA on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by an indemnified Party.

18.1.1 Indemnified Person. If an Indemnified Person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such Indemnified Person may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Article 18, the amount owing to the Indemnified Person shall be the amount of such Indemnified Person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1

may apply, the Indemnified Person shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

The Indemnified Person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Person, or there exists a conflict or adversity of interest between the Indemnified Person and the Indemnifying Party, in which event the Indemnifying Party shall pay the reasonable expenses of the Indemnified Person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Person, which shall not be reasonably withheld, conditioned or delayed.

- 18.2 Consequential Damages.** Other than the Liquidated Damages heretofore described, in no event shall a Party be liable under any provision of this LGIA for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. The Interconnecting Transmission Owner and the Interconnection Customer shall, at their own expense, maintain in force throughout the period of this LGIA, and until released by the other Party(ies), the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death, and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.

- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party(ies), its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.
- 18.3.7** The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this LGIA.
- 18.3.9** Within ten (10) days following execution of this LGIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, each Party shall provide certification of all insurance required in this LGIA, executed by each insurer or by an authorized representative of each insurer.
- 18.3.10** Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

maintains a self-insurance program, provided that such Party's senior secured debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this Article, it shall notify the other Party(ies) that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.

- 18.3.11** The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this LGIA.

ARTICLE 19. ASSIGNMENT

- 19.1 Assignment.** This LGIA may be assigned by any Party only with the written consent of the other Parties; provided that the Parties may assign this LGIA without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this LGIA; and provided further that the Interconnection Customer shall have the right to assign this LGIA, without the consent of the Interconnecting Transmission Owner or System Operator, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Interconnection Customer will promptly notify the Interconnecting Transmission Owner and System Operator of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the Interconnecting Transmission Owner and System Operator of the date and particulars of any such exercise of assignment right(s), including providing the Interconnecting Transmission Owner with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this LGIA shall not relieve a Party of its obligations, nor shall a Party's

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

ARTICLE 20. SEVERABILITY

- 20.1 Severability.** If any provision in this LGIA is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this LGIA; provided that if the Interconnection Customer (or any third party, but only if such third party is not acting at the direction of the Interconnecting Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

ARTICLE 21. COMPARABILITY

- 21.1 Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 22. CONFIDENTIALITY

- 22.1 Confidentiality.** Confidential Information shall include, without limitation, all information governed by the ISO New England Information Policy, all information obtained from third parties under confidentiality agreements, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by a Party to another prior to the execution of this LGIA.

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 a Party, the other Party(ies) shall provide, in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental

Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

22.1.1 Term. During the term of this LGIA, and for a period of three (3) years after the expiration or termination of this LGIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.1.2 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 this LGIA; or (6) is required, in accordance with Article 22.1.7 of the LGIA, 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 this LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party(ies) that it no longer is confidential.

22.1.3 Release of Confidential Information. A Party shall not release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or are 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 this LGIA, unless such person has first been advised of the confidentiality provisions of this Article 22 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 Article 22.

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

22.1.5 No Warranties. By providing Confidential Information, a Party does not make any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, a Party does not obligate itself to provide any particular information or Confidential Information to the other Party(ies) nor to enter into any further agreements or proceed with any other relationship or joint venture.

22.1.6 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(ies) under this LGIA or its regulatory requirements.

22.1.7 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 a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party(ies) with prompt notice of such request(s) or requirement(s) so that the other Party(ies) may seek an appropriate protective order or waive compliance with the terms of this LGIA. 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.

22.1.8 Termination of Agreement. Upon termination of this LGIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the

other Party(ies), use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party(ies)) or return to the other Party(ies), without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party(ies).

22.1.9 Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's(ies') Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Party(ies) 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 Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Parties shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.1.10 Disclosure to the Commission, its Staff, or a State. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR. Section 1b.20, if the Commission or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this LGIA, the Party shall provide the requested information to the Commission or its staff, within the time provided for in the request for information. In providing the information to the Commission or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by the Commission and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party(ies) to this LGIA prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Party(ies) to the LGIA when it is notified by the Commission or its staff that a request to release Confidential Information has been received by the Commission, at which time any of the Parties may respond before such information would be made public,

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

- 22.1.11** Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this LGIA ("Confidential Information") shall not be disclosed by the other Party(ies) to any person not employed or retained by the other Party(ies), 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(ies), such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party(ies) in writing of the information it claims is confidential. Prior to any disclosures of the other Parties' 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(ies) in writing and agrees to assert confidentiality and cooperate with the other Party(ies) in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. ENVIRONMENTAL RELEASES

- 23.1** Each Party shall notify the other Party(ies), first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Large Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party(ies). The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four (24) hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party(ies) copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENTS

- 24.1 Information Acquisition.** Subject to any applicable confidentiality restrictions, including, but not limited to, codes of conduct, each Party shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards.
- 24.2 Information Submission by System Operator and Interconnecting Transmission Owner.** The initial information submission by System Operator and Interconnecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include information necessary to allow the Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Parties. On a monthly basis Interconnecting Transmission Owner shall provide Interconnection Customer a status report on the construction and installation of Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.
- 24.3 Updated Information Submission by Interconnection Customer.** The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the LGIP. It shall also include any additional information provided to Interconnecting Transmission Owner and System Operator for the Interconnection Feasibility Study, Interconnection System Impact Study and Interconnection Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Interconnecting Transmission Owner and System Operator standard models. If there is no compatible model, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is materially different from what was originally provided to Interconnecting Transmission Owner pursuant to the Interconnection Study Agreement between Interconnecting Transmission Owner and Interconnection Customer,

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

then the System Operator will conduct appropriate studies to determine the impact on the New England Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Interconnection Customer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

Unless otherwise agreed, the test conditions shall include: (1) Large Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Large Generating Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Large Generating Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Large Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Large Generating Facility terminal or field voltages is provided. Large Generating Facility testing shall be conducted and results provided to the Interconnecting Transmission Owner for each individual generating unit in a station.

Subsequent to the Operation Date, the Interconnection Customer shall provide Interconnecting Transmission Owner and System Operator any information changes due to equipment replacement, repair, or adjustment. Interconnecting Transmission Owner shall provide the Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Interconnecting Transmission Owner-owned substation that may affect the Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

- 25.1 Information Access.** Each Party (the "disclosing Party") shall make available to the other Parties information that is in the possession of the disclosing Party and is necessary in order for the other Party(ies) to: (i) verify the costs incurred by the disclosing Party for which the other Party(ies) are responsible under this LGIA; and (ii) carry out its obligations and responsibilities under this LGIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this LGIA.
- 25.2 Reporting of Non-Force Majeure Events.** Each Party (the "notifying Party") shall notify the other Party(ies) when the notifying Party becomes aware of its inability to comply with the provisions of this LGIA for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this LGIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this LGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party(ies), to audit at its own expense the other Party's(ies)' accounts and records pertaining to a Party's performance or a Party's satisfaction of obligations under this LGIA. Such audit rights shall include audits of the other Party's(ies)' costs, calculation of invoiced amounts, the efforts to allocate responsibility for the provision of reactive support to the New England Transmission System, the efforts to allocate responsibility for interruption or reduction of generation on the New England Transmission System, and each Party's actions in an Emergency Condition. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this LGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.
- 25.4 Audit Rights Periods.**

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

25.4.1 Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of Interconnecting Transmission Owner's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four (24) months following Interconnecting Transmission Owner's issuance of a final invoice in accordance with Article 12.2.

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to a Party's performance or satisfaction of all obligations under this LGIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four (24) months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four (24) months after the event for which the audit is sought.

25.5 Audit Results. If an audit by a Party determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to the other Party(ies) together with those records from the audit which support such determination.

ARTICLE 26. SUBCONTRACTORS

26.1 General. Nothing in this LGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this LGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this LGIA in providing such services and each Party shall remain primarily liable to the other Party(ies) for the performance of such subcontractor.

26.2 Responsibility of Principal. The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this LGIA. The hiring Party shall be fully responsible to the other Party(ies) for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the Interconnecting Transmission Owner be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under Article 5 of this LGIA. Any applicable obligation

imposed by this LGIA upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

- 26.3 No Limitation by Insurance.** The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

- 27.1 Submission.** In the event a Party has a dispute, or asserts a claim, that arises out of or in connection with this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party(ies) 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(ies). 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(ies)' 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 LGIA.
- 27.2 External Arbitration Procedures.** Any arbitration initiated under this LGIA 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 arbitrator so chosen by the System Operator shall 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 any applicable Commission regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.

- 27.3 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 this LGIA and shall have no power to modify or change any provision of this Agreement 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. The final decision of the arbitrator must also be filed with the Commission if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.
- 27.4 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; or (2) a pro rata share of the cost of a single arbitrator chosen by the Parties.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

- 28.1 General.** Each Party makes the following representations, warranties and covenants:
- 28.1.1 Good Standing.** Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this LGIA and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this LGIA.
- 28.1.2 Authority.** Such Party has the right, power and authority to enter into this LGIA, to become a Party hereto and to perform its obligations hereunder. This LGIA is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws

affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

28.1.3 No Conflict. The execution, delivery and performance of this LGIA does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this LGIA will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this LGIA, and it will provide to any Governmental Authority notice of any actions under this LGIA that are required by Applicable Laws and Regulations.

ARTICLE 29. [OMITTED]

ARTICLE 30. MISCELLANEOUS

- 30.1 Binding Effect.** This LGIA and the rights and obligations hereof shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 30.2 Conflicts.** In the event of a conflict between the body of this LGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this LGIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This LGIA, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this LGIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this LGIA), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this LGIA or such Appendix to this LGIA, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this LGIA as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

- 30.4 Entire Agreement.** Except for the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents, this LGIA, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this LGIA. Except for the ISO New England Operating Documents, Applicable Reliability Standards, any applicable tariffs, related facilities agreements, or successor documents, there are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this LGIA.
- 30.5 No Third Party Beneficiaries.** This LGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 30.6 Waiver.** The failure of a Party to this LGIA to insist, on any occasion, upon strict performance of any provision of this LGIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this LGIA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this LGIA. Termination or Default of this LGIA

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Interconnecting Transmission Owner. Any waiver of this LGIA shall, if requested, be provided in writing.

- 30.7 Headings.** The descriptive headings of the various Articles of this LGIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this LGIA.
- 30.8 Multiple Counterparts.** This LGIA may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 30.9 Amendment.** The Parties may by mutual agreement amend this LGIA by a written instrument duly executed by the Parties.
- 30.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this LGIA by a written instrument duly executed by all of the Parties. Such amendment shall become effective and a part of this LGIA upon satisfaction of all Applicable Laws and Regulations.
- 30.11 Reservation of Rights.** Consistent with Section 11.3 of the LGIP, Interconnecting Transmission Owner and System Operator shall have the right to make unilateral filings with the Commission to modify this LGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with the Commission to modify this LGIA pursuant to section 206 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Parties and to participate fully in any proceeding before the Commission in which such modifications may be considered. In the event of disagreement on terms and conditions of the LGIA related to the costs of upgrades to such Interconnecting Transmission Owner's transmission facilities, the anticipated schedule for the construction of such upgrades, any financial obligations of Interconnecting Transmission Owner, and any provisions related to physical impacts of the interconnection on Interconnecting Transmission Owner's transmission facilities or other assets, then the standard applicable under Section 205 of the Federal Power Act

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

shall apply only to Interconnecting Transmission Owner's position on such terms and conditions. Nothing in this LGIA shall limit the rights of the Parties or of the Commission under sections 205 or 206 of the Federal Power Act and the Commission's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

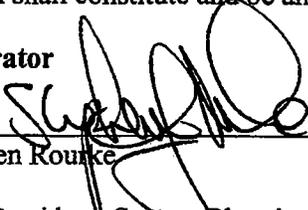
- 30.12 No Partnership.** This LGIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Parties.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

IN WITNESS WHEREOF, the Parties have executed this LGIA in triplicate originals, each of which shall constitute and be an original effective Agreement between the Parties.

System Operator

By:



Stephen Rourke

Title: Vice President, System Planning

Date:

12/5/2007

Bangor Hydro-Electric Company

By:

Robert Hanf

Title: President and COO

Date:

Evergreen Wind Power V, LLC

By:

Paul Gaynor

Title: President

Date:

ISO New England Inc.
FERC Electric Tariff No. 3
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Title: Vice President, System Planning

Date:

Bangor Hydro Electric Company

By: _____
Robert Hanf

Title: President and COO

Date:

Evergreen Wind Power V, LLC

By: _____
Paul Gaynor

Title: President

Date:

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Title: Vice President, System Planning

Date:

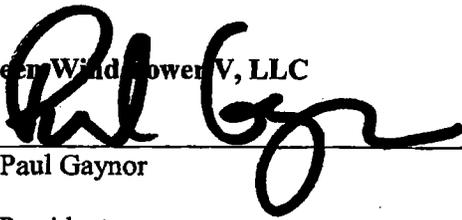
Bangor Hydro-Electric Company

By: _____
Robert Hanf

Title: President and COO

Date:

Evergreen Wind Power V, LLC

By: 
Paul Gaynor

Title: President

Date:

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDICES TO LGIA

- Appendix A Interconnection Facilities, Network Upgrades and Distribution Upgrades
- Appendix B Milestones
- Appendix C Interconnection Details
- Appendix D Security Arrangements Details
- Appendix E Commercial Operation Date
- Appendix F Addresses for Delivery of Notices and Billings
- Appendix G Interconnection Requirements for a Wind Generating Plant

APPENDIX A TO LGIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:
 - a. Interconnection Customer's Interconnection Facilities:

Collector System

The Stetson Mountain Wind project consists of up to 40 wind turbine generators located along the Stetson mountain ridgeline. The generators operate at 575 V and are individually stepped up to 34.5 kV for "collection" on the mountain ridge. The collector system consists of three 34.5 kV overhead lines, originating at the Stetson Mountain substation. The lines use a common wood pole structure and generally follow the access road between towers. The taps to the turbines are underground power cable, from the collector line to the pad mounted GSU adjacent to each tower base. The three lines leave the substation on common structures until the first line has been tapped by approximately a third of the turbines, at which time that line ends and the other two lines continue on common towers for approximately another third of the turbines, ending the second line, then the final collector line picks up the remaining turbines. All taps will be fused to allow for sectionalizing and maintenance with minimal impact to the remaining units. There will be tie switches between the collector lines just outside the Stetson Mountain substation to allow for breaker maintenance without impacting the ability to operate the generators. The three 34.5 kV collector lines terminate in their own dedicated circuit breaker and have dedicated protective devices monitoring the system and responding appropriately.

Stetson Mountain substation

This new facility is located on the mountain ridge near the generators and is intended to interface the 34.5 kV collector system with the 115 kV generator lead connecting this facility to the Bangor Hydro-Electric Company ("BHE") system. The substation has a single 115 kV breaker permitting local clearing of faults in the substation isolating this from the BHE system, as well as clearing the substation from faults on the generator lead, reducing potential impact to the generation.

A single 115 kV to 34.5 kV transformer rated 37.5/50/62 MVA, connected delta on the high side and grounded wye on the low side permits energy exchange between the two systems. This device is protected by means of the high side breaker and the three collector breakers being tripped by protective relays.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

b. Interconnecting Transmission Owner's Interconnection Facilities: None

2. Network Upgrades:

a. Stand Alone Network Upgrades:

Line 56 – 115 kV transmission line

The new transmission line from the BHE Keene Rd switching station to the Stetson Mountain substation has been designated by BHE as L56. This line will be approximately 38 miles in length following various existing and new ROW. The line is designed generally as a single pole line with horizontal line post insulators supporting the 477 KCM ACSR Hawk conductor; there will be a single static line, 24 fiber OPGW at the top of the structures. The line design is a culmination of effort by SGC Engineering supported by review and input from BHE and Eastern Maine Electric Cooperative ("EMEC") engineers. The initial 20 mile portion from the Stetson Mountain generators to a location near the Mattawamkeag Wilderness Park is expected to be owned by EMEC and the remaining 18 miles is expected to be owned by BHE as a Network Upgrade.

Keene Road switching station

Keene Rd switching station consists of a three breaker ring bus connecting the BHE system source, L64, to BHE system load at Chester substation, L63, and both load and generation on the Brookfield/Katahdin Paper system in the Millinocket area, L62.

This facility is designed to allow for future expansion into a four line/four breaker ring bus and from there into a breaker and half scheme as the need arises.

The connection of the Stetson Mountain generator lead (L56) to this facility is accomplished by the addition of a single breaker, several disconnect switches and instrument transformers, and protective equipment designed to protect both the new line and the existing facilities. The facility has a dead end structure installed that will accommodate the transmission line without additional structural work. There will be civil site work to install foundations, ducts and other support facilities.

Revenue Metering

While the design has not been completed yet it is anticipated that there will be metering quality CT's and VT's installed at Keene Road switching station that will be able to measure in both directions. This will be the formal point of energy exchange between the generator lead and the

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

interconnected electric system. The revenue meter will be provided by BHE and has not been selected yet. In addition to the Keene Road metering, there will be revenue grade meters connected to revenue grade instrument transformers at the Stetson Mountain substation. These are intended as support or check meters for the generator project owners. In the advent that a different point of interconnection is determined between the two substations (Keene Rd and Stetson Mountain), the meter that will be installed at Keene Road will be capable of being compensated to reflect that meter point.

Ambient Condition Measurement Equipment

It is expected that 3 sets of ambient condition (temperature and wind speed) measurement equipment will be installed to allow the capacity rating of BHE's line 64 (Veazie to Chester) to be changed periodically as needed to attempt to allow the full output of the Stetson generation to be delivered and transmitted to Veazie.

- b. Other Network Upgrades: None
- 3. Distribution Upgrades: None

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX B TO LGIA

Milestones

| <u>Milestones</u> | <u>Date</u> |
|---|-------------|
| • Siting approval for Generating Facility | 01/08 |
| • Engineering of Interconnection Facilities approved by BHE, including revenue metering | 01/08 |
| • Written authorization to BHE to proceed with design/procurement | 12/03/07 |
| • Long lead-time materials ordered | 12/17/07 |
| • Stetson provides security (in accordance with Article 11.5) | 12/03/07 |
| • Written authorization for BHE to construct | 12/03/07 |
| • In-Service Date | 07/31/08 |
| • Initial Synchronization Date | 07/31/08 |
| • Commercial Operation Date | 08/15/08 |

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX C TO LGIA

Interconnection Details

The Stetson Mountain Wind project consists of up to 40 1.5 MW wind turbine generators to be interconnected through a 34.5/115 kV step-up transformer to be located in a newly constructed 34.5/115 kV Stetson Substation in Township 8, Washington County, Maine, and then through a 115 kV transmission line to the BHE transmission system at the Keene Road Substation. Please refer to Appendix A for a description of the key components of the interconnection and network upgrade facilities.

The following details are included in this appendix:

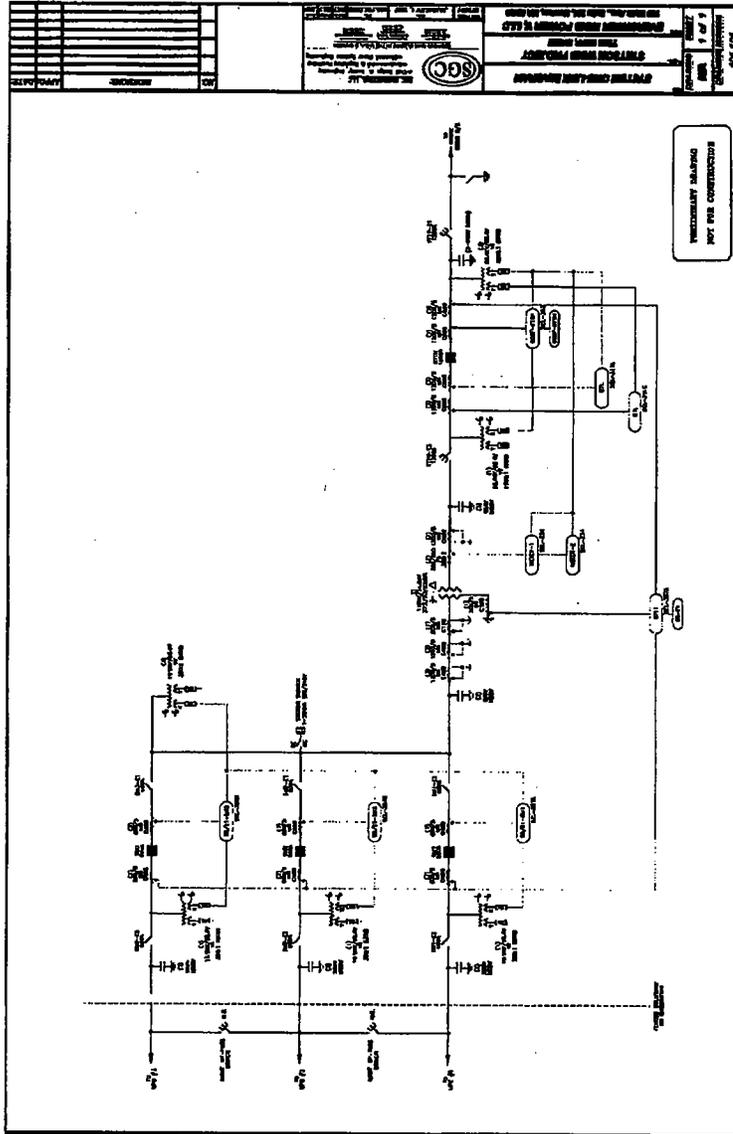
Map depicting transmission line routing (file _)

One-line diagram of generator/collection/step-up (file 101-101070814)

One-line diagram of collector system (file 102-103070904)

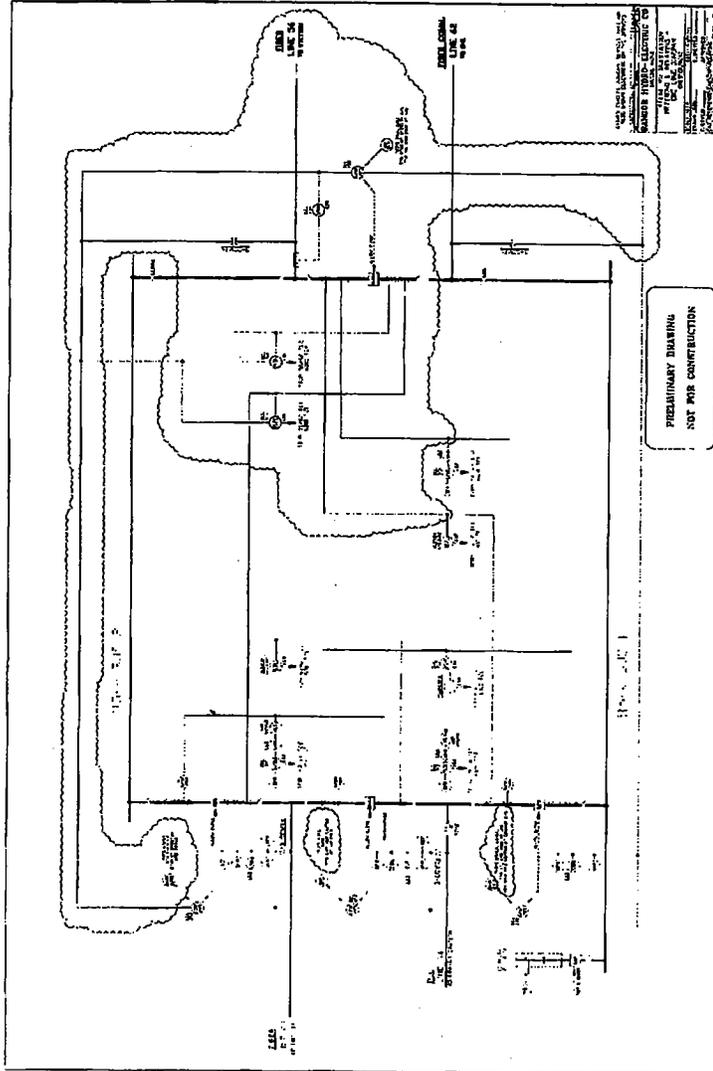
One-line diagram of Keene Road additions (file _)

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement



Stetson Wind Project One-Line Diagram

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FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement



Keene Road Substation One-Line Diagram

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FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX D TO LGIA

Security Arrangements Details

Infrastructure security of the New England Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day New England Transmission System reliability and operational security. The Commission will expect System Operator, Interconnecting Transmission Owners, market participants, and Interconnection Customers interconnected to the New England Transmission System to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX E TO LGIA

Commercial Operation Date

This Appendix E is a part of the LGIA between System Operator, Interconnecting Transmission Owner and Interconnection Customer.

[Date]

Bangor-Hydro Electric Company

ISO New England Inc.

One Sullivan Road
Holyoke, MA 01040-2841

Re:

Dear _____:

On [Date] Evergreen Wind Power V, LLC has completed Trial Operation of Unit No. []. This letter confirms that Evergreen Wind Power V, LLC commenced commercial operation of Unit No. [] at the Large Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX F TO LGIA

Addresses for Delivery of Notices and Billings

Notices:

System Operator

Project Manager – Generator Interconnections
Transmission Planning Department
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

Interconnecting Transmission Owner:

Legal Notices
Bangor Hydro-Electric Co.,
P.O. Box 932, Bangor, ME 04402-0932
(for overnight delivery: 21 Telcom Dr., Bangor, ME 04401)

Interconnection Customer:

Evergreen Wind V, LLC
c/o UPC Wind Management, LLC
85 Wells Ave, Suite 305
Newton, MA 02459-3210
Phone: (617) 964 3340
Fax: (617) 964-3342
Attn: General Counsel

Billings and Payments:

System Operator

Project Manager – Generator Interconnections
Transmission Planning Department
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Interconnecting Transmission Owner:

Controller
Bangor Hydro-Electric Co.,
P.O. Box 932, Bangor, ME 04402-0932
(for overnight delivery: 21 Telcom Dr., Bangor, ME 04401)

Interconnection Customer:

Evergreen Wind V, LLC
c/o UPC Wind Management, LLC
85 Wells Ave, Suite 305
Newton, MA 02459-3210
Phone: (617) 964 3340
Fax: (617) 964-3342
Attn: General Counsel
Email: elim@upcwind.com

**Alternative Forms of Delivery of Notices (telephone, facsimile or email):
System Operator**

Fax: (413) 540-4203

Email: geninterconn@iso-ne.com

Interconnecting Transmission Owner:

Fax: (207) 973-2980

Email: Legal@bhe.com

Interconnection Customer:

Fax: (617) 964-3342

Email: elim@upcwind.com

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

APPENDIX G TO LGIA

Interconnection Requirements For A Wind Generating Plant

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this LGIA continue to apply to wind generating plant interconnections.

A. Technical Standards Applicable to a Wind Generating Plant

i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below. The LVRT standard provides for a transition period standard and a post-transition period standard.

Transition Period LVRT Standard

The transition period standard applies to wind generating plants subject to FERC Order 661 that have either: (i) interconnection agreements signed and filed with the Commission, filed with the Commission in unexecuted form, or filed with the Commission as non-conforming agreements between January 1, 2006 and December 31, 2006, with a scheduled in-service date no later than December 31, 2007, or (ii) wind generating turbines subject to a wind turbine procurement contract executed prior to December 31, 2005, for delivery through 2007.

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the System Operator and Interconnecting Transmission Owner. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or “GSU”), after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU or to faults that would result in a voltage lower than 0.15 per unit on the high side of the GSU serving the facility.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual wind generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual wind generator units that are replaced are required to meet the Appendix G LVRT Standard.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

Post-transition Period LVRT Standard

All wind generating plants subject to FERC Order No. 661 and not covered by the transition period described above must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to pre-fault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the System Operator and Interconnecting Transmission Owner. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual wind generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual wind generator units that are replaced are required to meet the Appendix G LVRT Standard.

ISO New England Inc.
FERC Electric Tariff No. 3
Open Access Transmission Tariff
Schedule 22 – Large Generator Interconnection Agreement

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this LGIA, if the Interconnection System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the System Operator and Interconnecting Transmission Owner, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind generating plant is in operation. Wind generating plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the Interconnection System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind generating plant shall provide SCADA capability to transmit data and receive instructions from the System Operator and Local Control Center to protect system reliability. The System Operator, Interconnecting Transmission Owner and the wind generating plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind generating plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.

EXHIBIT C

Commonwealth of Massachusetts
Executive Office of Energy and Environmental Affairs
DEPARTMENT OF ENERGY RESOURCES

STATEMENT OF QUALIFICATION

Pursuant to the Renewable Energy Portfolio Standard – Class I
225 CMR 14.00

This Statement of Qualification, provided by the Massachusetts Department of Energy Resources (DOER or the Department), signifies that the Generation Unit identified below, as described in a Statement of Qualification Application dated March 17, 2011 (SQA ID # 10779), meets the requirements for eligibility as an RPS Class I Renewable Generation Unit, pursuant to the Renewable Energy Portfolio Standard – Class I, 225 CMR 14.05. Therefore, this Generation Unit is duly qualified as an RPS Class I Renewable Generation Unit.

Generation Unit Name, Capacity,
and Location:

Rollins Wind Plant
60 MW DC
Lincoln, ME

Authorized Representative's Name
and Address:

Elizabeth Weir
General Counsel
Evergreen Wind Power III
179 Lincoln St., Suite 500
Boston, MA 02111

The RPS Effective Date of this Unit is:

May 10, 2011

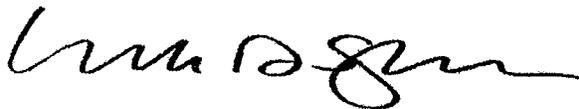
This RPS Class I Renewable Generation Unit is assigned a unique Massachusetts RPS Identification Number, listed below. Please include the ID number on all correspondence with DOER.

MA RPS Class I ID #: WD-1187-11

This Unit's NEPOOL GIS Generation Unit Asset Identification Number is:

MSS37175

The Qualification of this Generation Unit is subject to all applicable provisions in 225 CMR 14.00, including but not limited to the following. Pursuant to 225 CMR 14.06(5) and (6), the Owner or Operator of the Unit is obligated to notify DOER of any changes in the characteristics of the Unit that could affect its eligibility status, as well as any changes in the Unit's ownership, generation capacity, or contact information. DOER may suspend or revoke this Statement of Qualification if the Owner or Operator fails to comply with 225 CMR 14.00, including the provisions of this Statement of Qualification.



Date: **June 14, 2011**

Mark D. Sylvia
Commissioner
Department of Energy Resources

July 15, 2011

EVERGREEN WIND POWER III, LLC
Request for Certification for RPS Eligibility

ORDER GRANTING NEW
RENEWABLE RESOURCE
CERTIFICATION

WELCH, Chairman; VAFIADES and LITTELL, Commissioners

I. SUMMARY

The Rollins Wind Farm is certified as a Class I new renewable resource that is eligible to satisfy Maine's new renewable resource portfolio requirement pursuant to Chapter 311, § 3(B) of the Commission rules.

II. BACKGROUND

A. New Renewable Resource Portfolio Requirement

During its 2007 session, the Legislature enacted an Act To Stimulate Demand for Renewable Energy (Act). P.L. 2007, ch. 403 (codified at 35-A M.R.S.A. § 3210(3-A)). The Act added a mandate that specified percentages of electricity that supply Maine's consumers come from "new" renewable resources.¹ Generally, new renewable resources are renewable facilities that have an in-service date, resumed operation or were refurbished after September 1, 2005. The percentage requirement starts at one percent in 2008 and increases in annual one percent increments to ten percent in 2017, unless the Commission suspends the requirement pursuant to the provisions of the Act.

As required by the Act, the Commission modified its portfolio requirement rule (Chapter 311) to implement the "new" renewable resource requirement. *Order Adopting Rule and Statement of Factual and Policy Basis*, Docket No. 2007-391 (Oct. 22, 2007). The implementing rules designated the "new" renewable resource

¹ Maine's electric restructuring law, which became effective in March 2000, contained a portfolio requirement that mandated that at least 30% of the electricity to supply retail customers in the State come from eligible resources, which are either renewable or efficient resources. 35-A M.R.S.A. § 3210(3). The Act did not modify this 30% requirement.

requirement as "Class I"² and incorporated the resource type, capacity limit and the vintage requirements as specified in the Act. The rules thus state that a new renewable resource used to satisfy the Class I portfolio requirement must be of the following types:

- fuel cells;
- tidal power;
- solar arrays and installations;
- wind power installations;
- geothermal installations;
- hydroelectric generators that meet all state and federal fish passage requirement; or
- biomass generators, including generators fueled by landfill gas.

In addition, except for wind power installations, the generating resource must not have a nameplate capacity that exceeds 100 MW. Finally, the resource must satisfy one of four vintage requirements. These are:

- 1) renewable capacity with an in-service date after September 1, 2005;
- 2) renewable capacity that has been added to an existing facility after September 1, 2005;
- 3) renewable capacity that has not operated for two years or was not recognized as a capacity resource by the ISO-NE or the NMISA and has resumed operation or has been recognized by the ISO-NE or NMISA after September 1, 2005; or
- 4) renewable capacity that has been refurbished after September 1, 2005 and is operating beyond its useful life or employing an alternate technology that significantly increases the efficiency of the generation process.

The implementing rules (Chapter 311, § 3(B)(4)) establish a certification process that requires generators to pre-certify facilities as a new renewable resource under the requirements of the rule and provides for a Commission determination of resource eligibility on a case-by-case basis.³ The rule contains the information that must be included in a petition for certification and specifies that the Commission shall provide an opportunity for public comment if a petitioner seeks certification under

² The "new" renewable resource requirement was designated as Class I because the requirement is similar to portfolio requirements in other New England states that are referred to as "Class I." Maine's pre-existing "eligible" resource portfolio requirement is designated as Class II.

³ In the *Order Adopting Rule* at 6, the Commission noted that a request for certification can be made at any time so that a ruling can be obtained before a capital investment is made in a generation facility.

vintage categories 2, 3 and 4. Finally, the rule specifies that the Commission may revoke a certification if there is a material change in circumstance that renders the generation facility ineligible as a new renewable resource.

B. Petition for Certification

On April 28, 2011, Evergreen Wind Power III, LLC, an affiliate of First Wind, filed a petition to certify its Rollins Wind Farm Facility (Facility) as a Class I renewable resource. The Facility, located in Lincoln, Maine, consists of 40 1.5 MW wind turbines for a total nameplate capacity of 60 MW. The petition states that construction of the Facility began in September 2010 and that the Facility will commence full commercial operation in July 2011.

III. **DECISION**

The Commission has delegated to the Director of the Electric and Gas Division the authority to certify generation facilities as Class I new renewable resources pursuant to Chapter 311, § 3(B) of the Commission rules. *Delegation Order*, Docket No. 2008-184 (April 23, 2008). Based on the information provided by First Wind's affiliate Evergreen Wind Power III, I conclude that the Facility satisfies the resource type, capacity limit and vintage requirements of the rule. The Facility is fueled solely by wind and it will have commenced commercial operations after September 1, 2005. Accordingly, the Rollins Wind Farm is hereby certified as a Class I new renewable resource that is eligible to satisfy Maine's new renewable resource portfolio requirement pursuant to Chapter 311, § 3(B)(3)(a) of the Commission rules. Evergreen Wind Power III, or the Facility's successive owner, shall provide timely notice to the Commission of any material change in the operation of the Facility, from that described in the petition filed in this proceeding.

BY ORDER OF THE DIRECTOR OF THE ELECTRIC AND GAS
UTILITY INDUSTRIES

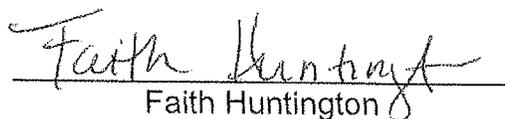

Faith Huntington

EXHIBIT D

Authorized Representative Certification and Signature:

I hereby certify, under pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including possible fines and punishment. My signature below certifies all information submitted on this Renewable Energy Source Eligibility Sample Application Form. The Renewable Energy Source Eligibility Sample Application Form includes the Sample Application Form and all required attachments. I acknowledge that the Generation Unit is obligated to and will notify the Commission promptly in the event of a change in a generator's eligibility status (including, without limitation, the status of the air permits) and that when and if, in the Commission's opinion, after due consideration, there is a material change in the characteristics of a Generation Unit or its fuel stream that could alter its eligibility, such Generation Unit must be re-certified in accordance with Section 9.0 of the RES Regulations. I further acknowledge that the Generation Unit is obligated to and will file such quarterly or other reports as required by the Regulations and the Commission in its certification order. I understand that the Generation Unit will be immediately de-certified if it fails to file such reports.

Signature of Authorized Representative:

SIGNATURE:

Evergreen Wind Power V, LLC
By: Stetson Holdings, LLC, its member



By: Elizabeth Weir
Title: Assistant Secretary

DATE:



Authorized Representative Certification and Signature:

I hereby certify, under pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including possible fines and punishment. My signature below certifies all information submitted on this Renewable Energy Source Eligibility Sample Application Form. The Renewable Energy Source Eligibility Sample Application Form includes the Sample Application Form and all required attachments. I acknowledge that the Generation Unit is obligated to and will notify the Commission promptly in the event of a change in a generator's eligibility status (including, without limitation, the status of the air permits) and that when and if, in the Commission's opinion, after due consideration, there is a material change in the characteristics of a Generation Unit or its fuel stream that could alter its eligibility, such Generation Unit must be re-certified in accordance with Section 9.0 of the RES Regulations. I further acknowledge that the Generation Unit is obligated to and will file such quarterly or other reports as required by the Regulations and the Commission in its certification order. I understand that the Generation Unit will be immediately de-certified if it fails to file such reports.

Signature of Authorized Representative:

SIGNATURE:

Stetson Wind II, LLC

By: Stetson Holdings, LLC, its member



By: Elizabeth Weir

Title: Assistant Secretary

DATE:

