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April 15, 2016

**Via E-mail and First Class Mail**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888

**Re: Docket No. 4607 – Deepwater Wind Block Island, LLC – Renewable Energy Resource (RER) Certification Application for Generation Unit: Block Island Wind Farm**

Dear Ms. Massaro:

On behalf of Deepwater Wind Block Island, LLC, enclosed please find responses to the requests for additional information received from the Rhode Island Public Utilities Commission's consultant, GDS Associates, Inc.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

A handwritten signature in cursive script, appearing to read "Adam M. Ramos".

Adam M. Ramos

AMR:cw  
Enclosure

cc: Docket No. 4607 Service List (via e-mail)

55687800 (61211.156653)

**Application for Certification as Eligible Renewable Energy Resource  
Service List updated 5/12/15**

Name/Address	E-mail Service List
Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:res.filings@puc.ri.gov">res.filings@puc.ri.gov</a> ;
Scott Albert, Principal & Northeast Region Manager GDS Associates, Inc. 1155 Elm Street, Suite 702 Manchester, NH 03101	
James Webb, GIS Administrator APX - Our Knowledge is Power	<a href="mailto:GIS@apx.com">GIS@apx.com</a> ;
Thomas R. Teehan, Esq. National Grid	<a href="mailto:Thomas.teehan@nationalgrid.com">Thomas.teehan@nationalgrid.com</a> ; <a href="mailto:Joanne.scanlon@nationalgrid.com">Joanne.scanlon@nationalgrid.com</a> ;
Jon Hagopian, Division of Public Utilities & Carriers	<a href="mailto:Jon.hagopian@dpuc.ri.gov">Jon.hagopian@dpuc.ri.gov</a> ;
Dennis Duffy, VP of Regulatory Affairs Cape Wind Associates LLC	<a href="mailto:dduffy@emienergy.com">dduffy@emienergy.com</a> ;
M. Haggerty, Ridgewood Power	<a href="mailto:mhaggerty@ridgewoodpower.com">mhaggerty@ridgewoodpower.com</a> ; <a href="mailto:dgulino@ridgewoodpower.com">dgulino@ridgewoodpower.com</a> ;
Christopher T. Burnett, President SpinBlade Energy LLC	<a href="mailto:cburnett@spinbladeenergy.com">cburnett@spinbladeenergy.com</a> ;
Hallie Flint Gilman, Associate General Counsel First Wind	<a href="mailto:regulatory@firstwind.com">regulatory@firstwind.com</a> ;
Gerald M. Eaton, Public Service Co. of New Hampshire	<a href="mailto:eatongm@nu.com">eatongm@nu.com</a> ;
Alan M. Shoer, Esq., Adler Pollock & Sheehan, P.C.	<a href="mailto:Ashoer@apslaw.com">Ashoer@apslaw.com</a> ;
E. Stephens	<a href="mailto:estephens@noreastgroup.com">estephens@noreastgroup.com</a> ;
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Patricia D. Stanton, Conservation Services Group	<a href="mailto:Pat.Stanton@csggrp.com">Pat.Stanton@csggrp.com</a> <a href="mailto:pstanton@e4thefuture.org">pstanton@e4thefuture.org</a> ;
George Wood, Oak Point Energy Associates	<a href="mailto:george4wood@verizon.net">george4wood@verizon.net</a> ;
Stephen Hickey, Essex Hydro	<a href="mailto:sjh@essexhydro.com">sjh@essexhydro.com</a> ; <b>not a good e-mail address</b>
Gary Gump – Portsmouth EDC Sustainable Energy subcommittee	<a href="mailto:Ggump1@verizon.net">Ggump1@verizon.net</a> ;
Kimberley A. Barry, PPL Energy Plus LLC	<a href="mailto:kabarry@pplweb.com">kabarry@pplweb.com</a> ; <a href="mailto:baveety@pplweb.com">baveety@pplweb.com</a> ;
Kate Bogart, Mass Energy/People's Power & Light	<a href="mailto:Kate@massenergy.org">Kate@massenergy.org</a> ;
Joseph Seymour, Renewable Energy Markets Association	<a href="mailto:JSEYMOUR@ttcorp.com">JSEYMOUR@ttcorp.com</a> ;

Robert C. Grace - Sustainable Energy Advantage	<a href="mailto:bgrace@seadvantage.com">bgrace@seadvantage.com;</a>
Julien Amouyal, Source One, Inc.	<a href="mailto:jamouyal@veoliaenergyna.com">jamouyal@veoliaenergyna.com;</a>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
RHODE ISLAND PUBLIC UTILITIES COMMISSION

<b>BLOCK ISLAND WIND FARM – APPLICATION FOR QUALIFICATION AS AN ELIGIBLE RENEWABLE ENERGY RESOURCE</b>	<b>DOCKET NO. 4607</b>
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**DEEPWATER WIND BLOCK ISLAND LLC’S  
RESPONSES TO REQUESTS FOR ADDITIONAL INFORMATION**

Deepwater Wind Block Island, LLC (“Deepwater Wind”) submits the following responses to the requests for additional information it received on April 7, 2016 from GDS Associates, Inc., the Rhode Public Utilities Commission’s consultant in reviewing Renewable Energy Resources Eligibility Applications.

**REQUEST NO. 1 – Please provide a screen shot from the ISO-NE web site, or some other independent form of documentation to validate the GIS Asset ID number you have provided.**

RESPONSE NO. 1 – A screen shot from the ISO-NE Customer Asset Management System is attached as Attachment 1 to these responses. [Document 1.1\_Screenshot of ISO NE Commercial Asset Management System].

**REQUEST NO. 2 - Please provide additional information to help document that the off-shore location of the Block Island Wind Farm is physically part of the State of Rhode Island (i.e., in RI waters).**

RESPONSE NO. 2 – Deepwater Wind refers to the location plat that it submitted as part of its application. Additionally, Deepwater Wind has attached a copy of the Commercial Lease of Submerged Lands for Renewable Energy Development, dated November 12, 2014, between the Rhode Island Coastal Resources Management Council, as lessor, and Deepwater Wind Block Island, LLC, as lessee as Attachment 2. Deepwater Wind also has attached the National Oceanic and Atmospheric Administration navigation chart showing the location of the wind turbines within state waters. *See Attachment 3 (zoom into the project area to see the turbine icons).*

**REQUEST NO. 3 – Please provide additional information regarding electrical interconnection, to help confirm that the facility will be grid-connected within the NEPOOL control area.**

Deepwater Wind has attached the Large Generator Interconnection Agreement with New England Power Company d/b/a National Grid and Deepwater Wind Block Island, LLC as Attachment 4, which provides for the interconnection of the Block Island Wind Farm to the Administered Transmission System.

Respectfully submitted,

**Deepwater Wind Block Island, LLC,**

By its Attorney,

/s/ Adam M. Ramos

Adam M. Ramos (#7591)  
Hinckley, Allen & Snyder LLP  
100 Westminster Street, Suite 1500  
Providence, RI 02903  
Tel. (401) 274-2000  
Fax (401) 277-9600  
aramos@hinckleyallen.com

Dated: April 15, 2016

# **ATTACHMENT 1**

# Customer Asset Management System

COMPANY	RELATIONSHIPS	PERSONS	ASSETS	<b>RESOURCES</b>	SUBACCOUNTS
Generating Resource			Demand Resource		Import Resource

## Generating Resource View

Name	Deepwater Wind Block Island	Resource ID	38495	As Of Date	04/07/2016 <input type="button" value="Refresh"/>
Load Zone	RI	Status	ACTIVE		
Settlement Only	No	Intermittent	Yes		
Capacity Network Resource		Capacity Network Resource			
Capability Summer MW	0.000	Capability Winter MW	0.000		
Summer Resource SCC MW		Winter Resource SCC MW			
Resource Minimum MW	0.0	Operating Status	INACTIVE		
Lead Participant	Deepwater Wind Block Island, L(104925)	Asset Relationship			

Screenshot of ISO NE Commercial Asset Management System. 4/7/2016.

Resource and Asset ID 38495.

# **ATTACHMENT 2**

COMMERCIAL LEASE OF  
SUBMERGED LANDS FOR RENEWABLE ENERGY DEVELOPMENT

This lease agreement ("Lease"), which includes any addenda hereto, is hereby entered into by and between the Coastal Resources Management Council, an agency of the State of Rhode Island (hereafter "CRMC" or "Lessor") and Deepwater Wind Block Island, LLC, a Delaware limited liability company (hereafter "Deepwater" or "Lessee").

This Lease is effective on November 12, 2014 and will continue in effect until the Lease terminates as set forth in Addendum "B." In consideration of any cash payment heretofore made by the Lessee to the Lessor and in consideration of the promises, terms, conditions, covenants, and stipulations contained herein and attached hereto, the Lessee and the Lessor agree as follows:

Definitions:

"Act" shall mean R.I. Gen. Laws 46-23-1 et seq.

"Affiliate" shall mean (a) in the case of any Person, a Person which, directly or indirectly, controls, is controlled by or is under common control with such Person, and (b) any individual who is a member of the immediate family (whether by birth or marriage) of an individual who is an Affiliate, which includes for purposes of this definition a spouse; a brother or sister of the whole or half-blood of such individual or his spouse; a lineal descendant or ancestor (including an individual related through legal adoption) of any of the foregoing or a trust for the benefit of any of the foregoing. For purposes of this definition, "control" (including "controlled by" and "under common control with") shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management of the entity in question, whether through the ownership of voting securities, partnership interests, or by contract or otherwise.

"Assent" shall mean the Assent issued by the CRMC on November 12, 2014 in relation to the Project.

"Business Day" shall mean Monday through Friday excluding any holiday recognized by the U.S. Federal Government or the State of Rhode Island and for which any of said government offices are generally closed.

"Certified Verification Agent" or "CVA" shall mean ABSF Consulting Inc. or such other certified verification agent nominated by the Lessee and acceptable to the Lessor in its sole

discretion, or a verification agent chosen by the Lessor in the event the Lessee fails to nominate an acceptable verification agent after the termination, resignation or removal of ABFS Consulting, Inc.

“Commercial Operations” means the generation of electricity or other energy product from the Project as more fully described in the COP, Decision and/or Assent for commercial use, sale, or distribution from the Project.

“Commercial Operation Date,” or “COD,” shall mean the “Commercial Operations Date” as defined in the Power Purchase Agreement dated as of June 30, 2010, between the Narragansett Electric Company, d/b/a National Grid and Deepwater.

“Construction and Operations Plan” or “COP” shall mean the Construction and Operations Plan approved by CRMC.

“Decision” shall mean the Decision dated June 13, 2014, approving Deepwater’s application under the OSAMP.

“Decommissioning” shall mean the dismantling and removal of infrastructure from each wind turbine platform, and the shipment of these materials to shore for reuse, recycling, or disposal as more particularly described in Section 12.

“Decommissioning Cost” shall mean the amount as calculated in accordance with Section 11(2).

“Decommissioning Fund” shall mean the fund established in accordance with Section 11(7).

“Decommissioning Plan” shall mean a Decommissioning plan submitted by the Lessee to the CRMC after review and certification by the CVA, which is approved by the CRMC.

“Effective Date” shall mean the date first stated above.

“Escrow Agreement” shall mean the agreement annexed hereto as Addendum F and made a part hereof.

“Escrow Account” shall mean the account established in accordance with the Escrow Agreement.

“Hazardous Material” means

1. Any substance or material defined as hazardous, a pollutant, or a contaminant under the

BK: 852 PG: 820  
INST: 381

*Comprehensive Environmental Response, Compensation, and Liability Act* at 42 U.S.C. §§ 9601(14) and (33);

2. Any regulated substance as defined by the Resource Conservation and Recovery Act ("RCRA") at 42 U.S.C. § 6991 (7), whether or not contained in or released from underground storage tanks, and any hazardous waste regulated under RCRA pursuant to 42 U.S.C. §§ 6921 *et seq.*;
3. Oil, as defined by the Clean Water Act at 33 U.S.C. § 1321(a)(1) and the Oil Pollution Act at 33 U.S.C. § 2701(23); or
4. Other- substances that applicable Federal, state, tribal, or local laws define and regulate as "hazardous."

"Lease" shall mean this Commercial Lease of Submerged Lands for Renewable Energy Development.

"Leasehold Mortgage" shall mean a mortgage, lien or other security interest encumbering all or any portion of the leasehold estate under this Lease.

"Leasehold Mortgagee" shall mean the holder of a Leasehold Mortgage.

"OSAMP" shall mean the Rhode Island Ocean Special Area Management Plan.

"Person" means an individual, limited liability company, corporation, partnership, joint venture, estate, trust or unincorporated association, any Federal, State, County or municipal government or any bureau, department or agency thereof, any fiduciary acting in such capacity on behalf of any of the foregoing, or any other legal or business entity.

"Project" shall mean the Block Island Wind Farm consisting of a project to generate energy using wind turbine generators and any associated resource assessment activities in the area subject to this Lease, as well as associated inner array cables, and subsea export cables, in accordance with the COP, Decision and/or Assent, and relevant statutes and regulations.

"Rent" shall mean the amounts payable as rent in accordance with Addendum "B".

"REZ" shall mean the Renewable Energy Zone, as defined in the OSAMP.

"Stipulations" shall mean those certain stipulations set forth in the Decision and/or Assent.

"Unavoidable Delay" shall mean delays incurred by Lessee or any Affiliate of Lessee due to weather, inability to safely conduct offshore operations, compliance with applicable laws, regulations, permits issued in connection with the Project (including any changes in such laws or

regulations after the date hereof), the terms of the Decision or Assent, strikes, lockouts, work stoppages, labor jurisdictional disputes, acts of God, inability to obtain or schedule labor or vessels from reasonable sources at a reasonable cost, inability to obtain components or materials from reasonable sources at a reasonable cost, governmental preemptions or restrictions, enemy action, riot, or other civil commotion, fire, casualty or other causes (whether similar or dissimilar) beyond the reasonable control of Lessee or an Affiliate of Lessee; provided, however, that in no event will financial difficulty on the part of Lessee or any Affiliate of Lessee be deemed an excuse for non-performance or grounds for Unavoidable Delay.

"Unavoidable Delays" shall also include, without limitation, a failure by Lessor in the performance of its obligations under this Lease after written notice specifying the obligation to be performed and that the failure promptly to perform shall give rise to an Unavoidable Delay, or the unlawful failure of Lessor or other governmental authority to grant, or any unlawful delay in granting, any permit, consent or approval reasonably essential or required for efficient progress and timely completion of or use or operation of the Project, except that Lessee shall not be entitled to an extension of time to perform nor shall such performance be otherwise excused on account of an alleged delay, unless such delay (aa) directly and actually causes a material delay in the construction of the Project reasonably determined on a case-by-case basis (giving consideration to the matter alleged to be delayed and the construction schedule) and (bb) cannot reasonably be remedied without material increase in the cost of the Project by the exercise by Lessee or its Affiliate of its or their respective professional skill and expertise by accelerating or rescheduling the performance of other work, or other reasonable and customary means which could have been taken commensurate with the impact of the delay to alleviate or mitigate the delay.

No delay shall be an "Unavoidable Delay" if caused in whole or in part by any action of the party claiming Unavoidable Delay, if that action, (a) when caused by a Person who is an officer, director, employee, partner or shareholder of Lessee, or is an Affiliate (including any manager which is an Affiliate) in connection with the Project is grossly negligent or willful or constitutes a violation of applicable law or regulation, or (b) as to any Person not described in the preceding clause (a), is willful or is an intentional violation of applicable law or regulation; provided, however, that (1) if a willful act is committed pursuant to clause (b) which results in a delay, such delay shall be deemed an Unavoidable Delay if such act is covered by insurance, the proceeds of which are payable to Lessee on account of such act, or Lessee has furnished evidence to Lessor that Lessee has readily available funds, including such insurance proceeds, to effect completion of the Project, provided Lessee is undertaking and continues diligently to complete the Project; and (2) if any violation of applicable law or regulation has been committed by or on behalf of any Person not described in clause (a), whether or not intentional, which results in a delay, such delay shall be deemed an Unavoidable Delay if Lessee shall promptly take or cause to be taken prompt action to eliminate or minimize such delay, including,

without limitation, causing the termination of any individual who committed such act and the termination of any Person employing such individual or of which such individual is a principal if such Person condoned such act, if termination of such individual or Person would permit the Project to be resumed or would otherwise materially reduce the period of delay. No party claiming an "Unavoidable Delay" shall be entitled to relief, unless it shall have notified the other party in writing not later than twenty-one (21) days after the claimant knows or should have known of the occurrence of same, specifying in such notice the nature of the delay and the steps the claimant is taking or intends to take in mitigation of the delay; except that if such notice is given after the expiration of such twenty-one (21) day period, then the period of Unavoidable Delay to which the claimant would otherwise be entitled shall not be deemed to have commenced until the claimant shall have notified the other party as required above. In addition, if any party to this Lease in good faith reasonably determines that it would be prudent to delay taking any action in furtherance of the Project or any part thereof because of the commencement and pendency of any action, suit or proceeding (including all appeals in connection therewith) contesting the Project or any material portion thereof or the legality or validity of any material action taken by any governmental authority in connection therewith (in each instance, whether or not such party is enjoined or otherwise restrained from taking any action with respect to all or any part of the Project), then such party shall notify the other party of such determination, stating in reasonable detail its reasons therefor, and any attendant or resultant delay shall be an Unavoidable Delay, provided such party (if such party is a party defendant) shall have commenced contesting or defending and shall be diligently contesting or prosecuting the defense of, such action, suit or proceeding, and provided further that the period of Unavoidable Delay shall not be deemed to have commenced until such party shall have so notified the other parties of such determination.

### **Section 1: Statutes and Regulations.**

This Lease is issued pursuant to the Act, applicable regulations, including but not limited to, offshore renewable energy and alternate use regulations set forth in the OSAMP. This Lease is subject to those statutes enacted (including amendments to the Act or other statutes) and regulations promulgated thereafter. It is expressly understood that amendments to existing statutes, including, but not limited to, the Act, and regulations may be made, and/or new statutes may be enacted or new regulations promulgated, which do not explicitly conflict with an express provision of this Lease, and that the Lessee bears the risk that such amendments, regulations, and statutes may increase or decrease the Lessee's obligations under the Lease.

### **Section 2: Rights of the Lessee.**

- (1) The Lessor hereby grants and leases to the Lessee the exclusive right and privilege, subject to the terms and conditions of this Lease and applicable statutes and regulations,

to conduct activities in the area identified in Addendum "A" of this Lease ("Leased Area") that are described in the COP, Decision and/or Assent.

- (2) The rights granted to the Lessee herein are limited to those activities described in the COP, Decision and/or Assent or otherwise approved by the Lessor. The rights granted to the Lessee are limited by the lease-specific terms, conditions, and stipulations required by the Lessor per Addendum "C."
- (3) The Lessee may conduct only those activities described in Addendum "A" and only in accordance with the COP, Decision and/or Assent, subject to the Stipulations. The Lessee may not deviate from the COP, Decision and/or Assent except as provided, and in accordance with the OSAMP and/or applicable rules and regulations.
- (4) This Lease does not authorize the Lessee to conduct activities in the REZ relating to or associated with the exploration for, or development or production of, oil, gas, other seabed minerals, or renewable energy resources other than those renewable energy resources specifically identified in Addendum "A."

### **Section 3: Reservations to the Lessor.**

- (1) All rights in the Leased Area not expressly granted to the Lessee by the Act, applicable regulations, this Lease, or the COP, Decision and/or Assent, are hereby reserved to the Lessor.
- (2) The Lessor reserves the right to suspend the Lessee's operations in accordance with R.I. Gen. Laws § 46-23-1 et. seq. and applicable regulations.
- (3) The Lessor reserves the right to authorize other uses within the Leased Area that will not increase the risk of physical damage to the Project or unreasonably interfere with activities described in Addendum "A."

### **Section 4: Payments.**

The Lessee must make all rent payments to the Lessor in accordance with Addendum "B."

### **Section 5: Associated Project Licenses.**

Project licenses for the purpose of installing, gathering, transmission and distribution and cables, pipelines and appurtenances, as necessary for the full enjoyment of this Lease, issued in conjunction with the COP, Decision and/or Assent are attached hereto as Addendum "D".

**Section 6: Conduct of Activities.**

The Lessee must conduct, and agrees to conduct, all activities in the Leased Area in accordance with the COP, Decision and/or Assent, the OSAMP, and all applicable laws and regulations, except as provided in the OSAMP and/or applicable rules and regulations.

**Section 7: Violations, Suspensions, Defaults, Cancellations, and Remedies.**

- (1) If the Lessee fails to comply with (a) any of the applicable provisions of the OSAMP (b) the COP, (c) the Decision, (d) the Assent and/or (e) the terms of this Lease, including associated Addenda, or any applicable laws and regulations, the Lessor may exercise any of the remedies provided under the R.I. Gen. Laws § 46-23-1 et seq. and applicable regulations, including, but not limited to, issuance of cessation of operations orders, suspension or cancellation of this Lease, and/or the imposition of penalties, in accordance with R.I. Gen. Laws § 46-23-1 et seq. and applicable regulations.
- (2) Events of Default:

The following shall constitute events of default under this Lease:

- (a) The Lessee fails to make payment of rent within ten (10) Business Days after written demand by the Lessor;
- (b) The Lessee fails to provide or maintain the Financial Assurance in accordance with the terms of this Lease, no right to cure or demand therefore being required;
- (c) If any insurance required by this Lease is cancelled, terminated, lapses or expires and a reasonably equivalent policy issued by an insurer reasonably acceptable to the Lessor has not been obtained and become effective as of the effective date of such cancellation, termination, lapse or expiration;
- (d) Subject to Unavoidable Delay, Lessee fails to commence construction of the Project on or before December 31, 2017;
- (e) Subject to Unavoidable Delay, Lessee fails to commence Commercial Operation by within twelve (12) months after the CVA has submitted to the Lessor the final Fabrication and Installation Report;
- (f) Subject to Unavoidable Delay, and only to the extent repair is required pursuant to Section 10(3) hereof, Lessee fails to provide notice of its intention to restore within ninety (90) days following such damage and commences restoration of any damaged component of the Project, whether such damage occurs by casualty or otherwise, within one hundred eighty (180) days following such damage (or such longer period

as may be reasonably and appropriate giving due regard to the nature of such damage, subject to the consent of the Lessor, which shall not be unreasonably withheld), or the Lessee fails to send notice of Decommissioning in accordance with Section 12(1) within ninety (90) days following such damage.

- (g) Construction of the Project shall, once commenced, be substantially and materially interrupted, discontinued, suspended or stopped, without consent of the Lessor for reasons other than Unavoidable Delay or planned periods with no activities in accordance with the construction schedule, which construction is not resumed within sixty (60) days (or such longer period may be reasonable and appropriate giving due regard to the nature of such damage, subject to the consent of the Lessor, which shall not be unreasonably withheld), following notice to the Lessee of such circumstance; provided, however, that if such circumstance shall occur more than once in any twelve (12) month period, no further notice of default shall be required to be given;
  - (h) Failure of the Lessee to comply with the OSAMP;
  - (i) Failure of the Lessee to comply with the COP, Decision and/or Assent;
  - (j) Lessee fails to comply with any other term of this Lease within thirty (30) days after written notice of such default; provided, however, that such period shall be extended (i) for an additional reasonable period if the Lessee is unable to cure within that thirty (30) day period, provided that corrective action has been commenced by the Lessee within such thirty (30) day period, and (ii) for so long as such cure is diligently pursued by Lessee, until such default has been corrected;
  - (k) The Lessee makes an assignment for the benefit of creditors;
  - (l) The insolvency of the Lessee;
  - (m) The appointment of a receiver or other court fiduciary over the Lessee;
  - (n) The filing by the Lessee of a voluntary petition under the United States Bankruptcy Code; and
  - (o) The filing of an involuntary petition under the United States Bankruptcy Code that either results in the entry of an Order for Relief under said statute or which is not dismissed within ninety (90) days from commencement thereof.
- (3) Termination:

In addition to any remedies provided under R.I. Gen. Laws § 46-23-1 et. seq. and applicable regulations:

- (a) Upon the occurrence of an Event of Default under this Lease, the Lessor may terminate the Lease by written notice to the Lessee. The termination of this Lease shall be effective upon the date of mailing of such notice to the Lessee.
- (b) The Lessee may terminate this Lease upon ninety (90) days written notice to the Lessor. In the event of a termination by the Lessee, the Lessee shall commence Decommissioning in accordance with Section 12.

- (c) No termination of this Lease or any portion thereof will relieve the Lessee or its surety of the obligations accrued hereunder, including but not limited to, the responsibility to remove property and restore the Leased Area pursuant to the terms of this Lease and applicable regulations.

The non-exercise by the Lessor of a remedy for any particular violation or Event of Default will not prevent the Lessor from exercising any remedy, including but not limited to, termination of this Lease, for any other violation or for the same violation occurring at any other time.

### **Section 8: Indemnification.**

The Lessee hereby agrees to indemnify the Lessor for, and hold the Lessor harmless from, any claim caused by or resulting from, directly or indirectly, any of the Lessee's operations or activities on the Leased Area or arising out of any activities conducted by or on behalf of the Lessee or its agents, employees, contractors (including any operator, if applicable), subcontractors, or their employees, under this Lease, including, but not limited to, claims for:

- (a) loss or damage to natural resources,
- (b) the release of any petroleum or any Hazardous Materials,
- (c) other environmental injury of any kind,
- (d) damage to property,
- (e) injury to persons, and/or
- (f) costs or expenses incurred by the Lessor.

The Lessee must pay the Lessor for damage, cost, or expense due and pursuant to this section within thirty (30) days after written demand by the Lessor. Nothing in this Lease will be construed to waive any liability or relieve the Lessee from any penalties, sanctions, or claims that would otherwise apply by statute, regulation, operation of law, or could be imposed by the Lessor or other government agency acting under such laws. The Lessee will not be liable for any losses or damages proximately caused by the activities of the Lessor or the Lessor's employees, contractors, subcontractors, or their employees.

The provisions of this Section shall survive termination of the Lease until the later or (i) completion of Decommissioning or (ii) a period of twelve (12) months.

**Section 9: Insurance.**

## (1) Insurance During Construction

Lessee must maintain, or cause to be maintained, at no cost or expense to Lessor, the following insurance during construction of the Project and with respect to any restoration of any improvements following a casualty or subsequent additions or alterations and stipulated limits will apply to all contractors and subcontractors engaged in the construction activity of the Project. Minimum required insurance coverage includes:

- (a) Commercial general liability insurance in limit not less than \$1,000,000 per occurrence, \$1,000,000 per occurrence for personal injury liability, \$2,000,000 general aggregate (applied per job) and \$2,000,000 products and completed operations aggregate written for a period of three years beyond final payment. Commercial general liability insurance shall also include broad form property damage liability and broad form contractual liability. Defense coverage in addition to the limit.
- (b) Pollution Liability Insurance in a total limit of \$25,000,000. This limit can be provided in either a single limit policy or with a following form excess or umbrella liability policy.
- (c) Minimum additional \$25,000,000 umbrella for excess liability coverage with terms and conditions that are at least as broad as the underlying liability policies and for concurrent terms with the underlying commercial general liability insurance.
- (d) Commercial automobile liability with a combined single limit of \$1,000,000 with a hired and non-owned endorsement.
- (e) Worker's Compensation coverage as required by Rhode Island General Laws with Employer's Liability limits of \$1,000,000 each accident, \$1,000,000 disease - each employee and \$1,000,000 disease-policy limit. Policy must include the following endorsements or a separate policy provided for the following:
  - i. Jones Act;
  - ii. Longshore Harbor Workers Compensation Act (LHWCA or USL&H);
  - iii. Marine Employers Liability;
  - iv. Outer Continental Shelf Lands Act Coverage Endorsement, if applicable; and
  - v. Waiver of Subrogation.
- (f) Insurance shall be provided covering removal of wreck, wreckage and/or debris with limits of \$10,000,000 per occurrence and \$20,000,000 in the policy aggregate.
- (g) Lessee shall procure and maintain, or cause to be procured and maintained (i) "all risk" Erection/Construction insurance, which will include riggers coverage, (ii)

marine hull and machinery insurance on all owned or chartered vessels and (iii) protection and indemnity insurance owned or chartered vessels. Lessor will be named as an additional insured under such policies to the extent of its interests.

(2) Insurance Upon Completion

Lessee must maintain at no cost or expense to Lessor, the following insurance upon the earlier of completion of construction of the Project or the COD. Minimum required insurance coverage includes:

- (a) Commercial general liability insurance in limit not less than \$1,000,000 per occurrence, \$1,000,000 per occurrence for personal injury liability, \$2,000,000 general aggregate (applied per job) and \$2,000,000 products and completed operations aggregate written for a period of three years beyond final payment. Commercial general liability insurance shall also include broad form property damage liability and broad form contractual liability. Defense in addition to the limit.
- (b) Contractor's Pollution Liability Insurance in a total limit of \$25,000,000. This limit can be provided in either a single limit policy or with a following form excess or umbrella liability policy.
- (c) Minimum additional \$25,000,000 umbrella for excess liability coverage with terms and conditions that are at least as broad as the underlying liability policies and for concurrent terms with the underlying commercial general liability insurance.
- (d) Insurance shall be provided covering removal of wreck, wreckage and/or debris with limits of \$10,000,000 per occurrence and \$20,000,000 in the policy aggregate.
- (e) Commercial automobile liability with a combined single limit of \$1,000,000 with a hired and non-owned endorsement.
- (f) Worker's Compensation coverage as required by Rhode Island General Laws with Employer's Liability limits of \$1,000,000 each accident, \$1,000,000 disease - each employee and \$1,000,000 disease-policy limit. Policy must include the following endorsements or a separate policy provided for
  - i. Jones Act;
  - ii. Longshore Harbor Workers Compensation Act (LHWCA or USL&H);
  - iii. Marine Employers Liability;
  - iv. Outer Continental Shelf Lands Act Coverage Endorsement, if applicable; and
  - v. Waiver of Subrogation.

(3) Review of Coverage

After three (3) years from the Commercial Operation Date and once in each subsequent

three (3) year period thereafter during the term of this Lease, at the request of the Lessor, Lessor and Lessee shall review the types of and limits on the insurance required by this Lease and the limits may be adjusted and extended as shall then be commercially reasonable. If the Lessor and Lessee are unable to agree on the amounts of such insurance, the matter shall be submitted to arbitration by an insurance consultant as arbitrator pursuant to Section 26.

Regardless of any determination made by an arbitrator under Section 26, the Lessee shall be required to maintain coverage of the types and in the amounts in place at the Commercial Operation Date unless otherwise consented to by the Lessor.

(4) Requirements Regarding Insurance

All insurance provided for in this Section 9, shall be obtained at the time specified and be effective under valid and enforceable policies for a term of not less than one (1) nor more than three (3) years, in such form and, where not expressly provided above, in such amount as may from time-to-time be reasonably satisfactory to the Lessor and Lessee, issued by financially sound and responsible insurance companies which are authorized to do business in the State of Rhode Island and with insurance companies rated: (i) "A-" or better, with a minimum size rating of "X" as determined by A.M. Best; (ii) "A" or better by Standard and Poor's (or an equivalent rating by another nationally-recognized insurance rating agency of similar standing). A lessor rating shall be acceptable if no insurance companies which are authorized to do business in the State of Rhode Island and have such ratings. In the event that the rating of the insurer shall fall below the aforementioned ratings, the Lessee shall obtain a substitute insurer within ninety days of such rating downgrade unless the Lessor waives such noncompliance in writing. On or before the Effective Date or subsequent date, if applicable, and in all events prior to the expiration dates of any such insurance, evidence of such insurance policies accompanied by payment evidence of payment of the applicable premium, shall be delivered by the Lessee to the Lessor. Original or duplicate originals of such insurance shall be available for inspection by the Lessor at Lessee's offices. All such insurance shall also contain, to the extent available, a provision that no act or omission of Lessee will affect or limit the obligation of the insurer to pay on behalf of the Lessor or Leasehold Mortgagee the amount of loss sustained by, or claim made against, Lessor or Leasehold Mortgagee.

(5) Named Insureds

All policies of insurance provided for or contemplated by this Section 9 shall, as applicable, name the Lessor as an additional insured. Notwithstanding the foregoing, as

to casualty insurance (but not liability insurance or insurance proceeds for demolition and debris removal), Lessor's rights and interest shall be subordinate to the rights and interest of any Leasehold Mortgagee.

(6) Lessor Protection

All policies of insurance provided for in this Section 9 shall, to the extent obtainable, contain clauses or endorsements to the effect:

- (a) That no act or negligence of the Lessee or anyone acting for them which might otherwise result in a forfeiture of such insurance or any part thereof shall in any way affect the validity or enforceability of such insurance; and
- (b) That such policies shall not be changed in any manner which would adversely affect the coverages, limits or other protection thereby afforded, nor be canceled without at least thirty (30) days prior written notice to the Lessor and any Leasehold Mortgagee.

**Section 10: Destruction and Restoration.**

(1) Obligation to Give Notice

Lessee shall give prompt notice to Lessor of any damage or loss by fire or other casualty to the Project which shall exceed Five Hundred Thousand Dollars (\$500,000).

(2) Obligation to Adjust Loss

Lessee shall, following any damage or loss insured by or on behalf of Lessee, proceed diligently and in good faith to adjust the loss with the insurer. The proceeds of insurance with respect to any such damage or loss shall be paid in accordance with the terms hereof and disbursed in accordance with the terms and conditions hereinafter provided.

(3) Obligation to Restore

Lessee shall, with reasonable diligence, repair and restore or cause the repair or restoration of the Project or the portion thereof so damaged, as nearly as possible to the condition as existed immediately prior to such damage; or Lessee may elect not to repair and restore the damage in which case it shall decommission the Project or the portion thereof so damaged in accordance with Section 12.

(4) Application and Disbursement of Insurance Proceeds

Unless otherwise agreed by the Lessor and Lessee, the proceeds of any insurance policy providing coverage for a casualty loss shall be applied by the Lessee only to the payment of costs of restoration of the Project or decommissioning of the Project. Provided, however, that the use of proceeds of such insurance for anything other than restoration or decommissioning of the Project shall require the consent of any Leasehold Mortgagee.

(5) No Release of Lessee's Obligations

No destruction of or damage to the Project or any part thereof, by any casualty whatsoever, shall relieve the Lessee from its liability to pay in full the Rent and other sums and charges payable by Lessee hereunder, or from any of its obligations under this Lease. Lessee hereby waives any rights now or hereafter conferred upon it by statute or otherwise to surrender this Lease or quit, or to receive any suspension diminution, abatement or reduction of the Rent or other sums and charges payable by the Lessee hereunder.

The provisions of this Section shall survive termination of the Lease until the later or (i) completion of Decommissioning or (ii) a period of twelve (12) months.

**Section 11: Financial Assurance.**

Prior to commencement of construction of the Project, Lessee is required, pursuant to the OSAMP Decision, and/or Assent, to provide an appropriate performance bond or bonds, or other form of Lessor approved financial assurance, to secure the payment and performance of construction, operation and maintenance, and decommissioning of the Project ("Financial Assurance") in an amount not less than the Decommissioning Cost.

(1) Letter of Credit

- (a) The Lessor and Lessee agree that the Financial Assurance shall be an irrevocable, transferable, standby letter of credit ("Letter of Credit") naming the Lessor as beneficiary, issued by a major commercial bank that shall at all times have a credit rating of at least "A-" from S&P or "A3" from Moody's or such lower credit rating as may be acceptable to the Lessor in its sole discretion. In the event that the credit rating of the issuer of the Letter of Credit shall fall below the aforementioned ratings, the Lessee shall obtain a substitute issuer within ninety days of such rating downgrade unless the Lessor waives such noncompliance in writing.
- (b) The Letter of Credit shall provide that it is valid for a period of not less than one year and that it shall automatically renew from year to year thereafter, unless the issuing

bank shall give not less than thirty (30) days prior written notice to the Lessor of its intent to terminate the Letter of Credit at the end of such thirty (30) day period.

- (c) The Lessee shall have the right to substitute the issuer of the Letter of Credit to another major commercial bank reasonably in compliance with the criteria set forth in subpart (a) of this Section. Upon receipt of an acceptable substitute Letter of Credit, the Lessor shall mark the prior issuer's Letter of Credit as "cancelled" and return the original of the same to the Lessee within ninety-five (95) days after receipt of the substitute Letter of Credit and shall take such other actions as reasonably may be requested by the issuer of such Letter of Credit to evidence the cancellation thereof, provided, however, that such cancellation shall not be required for a period of ninety-five (95) days from substitution.
  - (d) Not less than ninety (90) days prior to commencement of construction of any element of the Project the Lessee shall deliver to the Lessor the Letter of Credit in the initial amount of Seven Million Five Hundred Thousand 00/100 Dollars (\$7,500,000). The amount of the Letter of Credit shall be adjusted in accordance with the terms set forth below.
- (2) Calculation of Decommissioning Cost
- (a) The Decommissioning Cost is initially estimated to be \$7,500,000 as set forth in the budget attached hereto as Addendum "E".
  - (b) At least thirty (30) days, but not more than one hundred twenty (120) days prior to the commencement of installation of the wind turbines and their associated jacket foundations in the REZ, the Lessee will deliver to the Lessor an updated budget of the Decommissioning Cost that has been reviewed and approved by the CVA.
  - (c) Within three (3) months following the Commercial Operation Date, Lessee will deliver to the Lessor an updated budget of the Decommissioning Cost that has been reviewed and approved by the CVA.
  - (d) On the third anniversary of the Commercial Operation Date, and every three years thereafter, Lessee will deliver to the Lessor an updated budget of the Decommissioning Cost that has been reviewed and approved by the CVA.
- (3) The Letter of Credit shall be in an amount of the greater of \$7,500,000 or the Decommissioning Cost as determined under Section 11(2), provided, however, that the Letter of Credit may be reduced by an amount equal to the amounts on deposit for a period of not less than ninety-five (95) days in the Decommissioning Fund. At no time shall the Letter of Credit and the Decommissioning Fund together be in an amount less than the greater of \$7,500,000 or the Decommissioning Cost.
- (4) At such time as the Decommissioning Fund is equal to or greater than the

Decommissioning Cost for a period of not less than ninety-five (95) days, the Lessor shall mark the Letter of Credit as "cancelled" and return the original of the same to the Lessee and shall take such other actions as reasonably may be requested by the issuer of such Letter of Credit to evidence the cancellation thereof.

- (5) Upon Lessee's receipt of an updated budget that has been reviewed and approved by the CVA indicating an increase of the Decommissioning Cost, the Lessee shall within ten (10) days thereafter either provide an increase in the existing Letter of Credit and/or deposit sufficient funds in the Decommissioning Fund such that the Letter of Credit and the Decommissioning Fund together shall be in an amount not less than the Decommissioning Cost.

- (6) Right to Draw on Letter of Credit

The Lessor may draw upon on the Letter of Credit under the following circumstances:

- (a) The Lessee provides a notice of termination under Section 7(3);
- (b) The Letter of Credit is due to expire or terminate for any reason within fifteen (15) Business Days and Lessee remains obligated to provide the Financial Assurance;
- (c) An Event of Default under the Lease resulting in the issuance of a notice of termination by the Lessor;
- (d) Insolvency of the Lessee;
- (e) The appointment of a receiver or other court fiduciary over the Lessee;
- (f) The filing by the Lessee of a voluntary petition under the United States Bankruptcy Code;
- (g) The filing of an involuntary petition under the United States Bankruptcy Code that either results in the entry of an Order for Relief under said statute or which is not dismissed within ninety (90) days from commencement thereof; and
- (h) Any Court proceeding is filed that challenges the Lessor's right to call upon the Letter of Credit or in any way seeks to prohibit or enjoin the Lessor from calling the Letter of Credit.

All funds tendered to the Lessor by virtue of a draw upon the Letter of Credit shall be property of the State and shall be deposited in the Decommissioning Fund for distribution in accordance with the Escrow Agreement.

- (7) Decommissioning Fund

- (a) Commencing with the fifth anniversary of the Commercial Operations Date, the Lessee shall begin funding the Decommissioning Fund.

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- (b) The Decommissioning Fund will be maintained in an escrow account in accordance with the Escrow Agreement. The Escrow Agent shall be a regional or national U.S. commercial bank with at least one physical branch office located in Rhode Island chosen by the Lessor in its sole and absolute discretion. The Escrow Agent shall be not be the same institution providing the Letter of Credit.
- (c) The Decommissioning Fund shall be invested in US Treasuries of not more than twelve (12) months duration. Any interest earned on such funds shall become and remain part of the Decommissioning Fund. Any fees of the Escrow Agent shall be paid from the Decommissioning Fund.
- (d) The Lessee will make contributions to the Decommissioning Fund through the fifteenth anniversary of the Commercial Operation Date. The amount of the annual contribution to the Fund shall be determined in accordance with the following formula:

$$A_T = (DC_T - F_T) / R_T$$

Where: A is the amount of the contribution  
 T is the contribution date  
 DC is the amount of Decommissioning Cost  
 F is the Decommissioning Fund balance  
 R is the number of remaining contributions

The provisions of this Section shall survive termination of the Lease until completion of Decommissioning.

### **Section 12: Decommissioning Process.**

- (1) The Lessee shall deliver written notice to the Lessor of its intent to commence Decommissioning of all or any portion of the Project, as applicable, together with a Decommissioning Plan, which shall have been reviewed and approved by the CVA. Following delivery of such notice, Lessee shall commence Decommissioning within ninety (90) days from the date of notice provided by the Lessee, subject to approval from Lessor and Unavoidable Delay.
- (a) Consistent with the OSAMP and available technologies, the Decommissioning Plan shall contain, among other things, the following:

- i. An inventory and the removal method for the hazardous material at each turbine location and at any landside facilities associated with the project; the method of removal and disposal location of the blades; The method of removal and disposal location(s) of the nacelle and its components; the method of removal and disposal location of the lattice jacket structure to fifteen (15) feet below the mud line; the method of removal and disposal location of scour protection; the method of cutting the interconnect and export cables at each turbine location so that the cable is cut at the bottom of the installed "trench". The elevation and location shall be determined from the as-built survey plans.
  - ii. The method of removal and disposal of the on-shore substation associated with the Project.
  - iii. An Environmental Assessment (EA) that details the effects of the proposed removal methods on the resources outlined in the OSAMP (ie fisheries, marine mammals etc). Specific time of year windows for marine resources shall be addressed. This EA shall be suitable for permit agency submittals.
- (2) Upon completion of Decommissioning, Lessee shall provide notice to the Lessor that all applicable Decommissioning activities have been completed and a report from the CVA certifying that Decommissioning is complete.
- (3) Following notice from the Lessee and receipt of certification from the CVA that Decommissioning is complete, if applicable, the Lessor shall, within a reasonable time thereafter, mark the Letter of Credit as "cancelled" and return the original of the same to the Lessee and shall take such other actions as reasonably may be requested by the issuer of such Letter of Credit to evidence the cancellation thereof. Any funds remaining in the Escrow will be for the account of the Lessee.
- (4) In the event of termination of this Lease, the Lessor may elect to undertake Decommissioning and shall be entitled to use all funds in the Decommissioning Fund to complete Decommissioning and associated undertakings. In such event, the Lessee waives any and all claims or entitlement to any funds held in the Decommissioning Fund remaining after completion of Decommissioning by the Lessor.

The provisions of this Section shall survive termination of the Lease until completion of Decommissioning.

### **Section 13: Assignment or Transfer of Lease.**

- (1) This Lease may not be assigned or transferred in whole or in part by the Lessee without the prior written approval of the Lessor as provided in the Decision and Assent. The

Lessor reserves the right, in its sole discretion, to deny approval of the Lessee's application to transfer or assign all or part of this Lease. Any assignment will be effective on the date the Lessor approves the Lessee's request for assignment. Any assignment made in contravention of this section is void, and, in Lessor's sole discretion, may result in revocation of any approvals and/or assents previously given by Lessor to Lessee in connection with the COP, Decision and/or Assent and termination of this Lease.

- (2) Notwithstanding the foregoing, following notice to the Lessor from the Lessee (a) and upon written approval from the Lessor, which shall not be unreasonably withheld, Lessee may assign the Lease to an Affiliate, and (b) in connection with any financing for the development, construction, operation, maintenance or ownership of the Project (or any refinancing of such financing) Lessee may collaterally assign its interest in the Lease.
- (3) In the event of any exercise of a right or remedy by a Leasehold Mortgagee under a collateral assignment of this Lease, the Lessor shall permit the transfer or assignment of the Lease to an assignee of the Lessee provided such assignee has met all the requirements and conditions under the COP, Decision, Assent and the terms of this Lease.

#### **Section 14: Removal of Property and Restoration of the Leased Area on Termination of Lease.**

Unless otherwise authorized, in writing, by the Lessor, pursuant to the applicable regulations in the OSAMP, the Decision and/or the Assent, the Lessee must remove or decommission all facilities, projects, cables, pipelines, and obstructions and clear the seafloor of all obstructions created by activities on the Leased Area, as soon as reasonably possible, and in any event, not later than – two years following Lease termination, whether by expiration, cancellation, contraction, or relinquishment, as required by and in accordance with the COP, the Decision, the Assent or approved Decommissioning Plan, and applicable regulations in the OSAMP.

The provisions of this Section shall survive termination of the Lease.

#### **Section 15: Safety Requirements.**

The Lessee must:

- (a) Maintain all places of employment for activities authorized under this Lease in compliance with occupational safety and health standards and, in addition, free from recognized- hazards to employees of the Lessee or of any contractor or subcontractor

operating under this Lease;

- (b) Maintain all operations within the Leased Area in compliance with applicable statutes, regulations in the OSAMP, the Decision, the Assent and orders from the Lessor and other agencies with jurisdiction, intended to protect persons, property and the environment in the REZ; and
- (c) Provide any requested documents and records, which are pertinent to occupational or public health, safety, or environmental protection, and allow prompt access, at the site of any operation or activity conducted under this Lease, to any inspector authorized by the Lessor or other agency with jurisdiction.

#### **Section 16: Notices.**

All notices or reports (for this Section, collectively called the "Notices") provided from one party to the other under the terms of this Lease must be in writing and shall be sent to the party's Lease Representative listed on Addendum "A" by personal delivery, overnight delivery by a recognized private or public carrier, or registered or certified mail, postage prepaid, return receipt requested addressed to the party to receive such Notice. Either party may notify the other of a change of address by doing so in writing. Until notice of any change of address is delivered as provided in this section, the last recorded address of either party will be deemed the address for all notices required under this Lease. For all operational matters, notices must be provided to the party's Operations Representative, as specifically listed in Addendum "A," as well as the Lease Representative.

Notices shall be deemed given one (1) day after mailing if sent via U.S. Mail or overnight delivery, otherwise, Notice shall be deemed given only when received.

#### **Section 17: Representations and Warranties**

- (1) Representations of the Lessor

In order to induce Lessee to enter into this Lease, Lessor represents and warrants that

- (a) Lessor has the power and authority to enter into this Lease and the Leased Area is under the jurisdiction and control of Lessor pursuant to the Act
- (b) Performance by Lessor of its obligations hereunder will not violate any law or violate or constitute an event of default under the terms or provisions of any agreement, document or instrument to which Lessor is a party or by which it is bound.
- (c) All necessary actions and proceedings required to be taken by or on behalf of Lessor to authorize it to make, deliver and perform the terms of this Lease have been duly and properly taken prior to the Effective Date, and that this Lease is a valid and

binding obligation of Lessor and is enforceable against Lessor in accordance with its terms;

- (d) Neither the execution and-delivery hereof, nor compliance by Lessor with the terms and provisions hereof (i) requires the approval and consent of any governmental authority other than Lessor or any other party, except as contemplated by the terms hereof, (ii) contravenes any existing law, judgment, governmental rule, regulation or order applicable to or binding on it, or (iii) contravenes or results in any breach of or, except as contemplated by this Lease results in the creation of any lien or encumbrance upon any of its property , except as specifically provided in this Lease; and
- (e) Except as previously disclosed to the Lessee in writing, no litigation has been commenced to Lessor's knowledge which would, if adversely determined have the effect of preventing or delaying performance by Lessor of its obligations hereunder.

(2) Representations of Lessee

In order to induce Lessor to enter into this Lease, Lessee hereby represents and warrants, that:

- (a) Lessee are duly formed entities and validly existing under the laws of Delaware duly qualified to do business in Rhode Island with the full power and authority to enter into this Lease;
- (b) The execution and delivery hereof and the performance by Lessee of its obligations hereunder will not violate or constitute an event of default under the terms or provisions of any agreement: document or instrument to which Lessee is a party or by which it is bound;
- (c) Lessee has the capacity on its own or the ability to obtain from appropriate sources financing commitments or otherwise, funds sufficient to meet all presently anticipated Project costs;
- (d) Lessee has not and shall not guaranty the payment or performance of any obligation of any Affiliate except in relation to financing for the Project and no interest of Lessee in this Lease or any other Project Document or the Project has been or shall be pledged or otherwise used as security therefor except in connection with the Project;
- (e) Except as previously disclosed to Lessor in writing no litigation has commenced or to Lessee's knowledge is threatened against Lessee or any Affiliate which would, if adversely determined, have the effect of preventing or delaying performance by Lessee of its obligations hereunder or under any of the regulations;
- (f) All documents submitted to Lessor in satisfaction of conditions precedent or otherwise, at the time of submission have been (or, if submitted at any time hereafter, will be) true, accurate and complete in all material respects;

- (g) All necessary actions and proceedings required to be taken by or on behalf of Lessee to authorize it to make, deliver and perform the terms of this Lease have been duly and properly taken prior to the Effective Date, and that this Lease is a valid and binding obligation of Lessee; and
- (h) Neither the execution and delivery hereof, nor compliance by Lessee with the terms and provisions hereof (i) requires the approval and consent of any governmental authority, or any other party that has not already been obtained, except as contemplated by the terms hereof, (ii) contravenes any existing law; judgment, governmental rule, regulation or order applicable to or binding on it; or (iii) contravenes or results in any breach of or, except as contemplated by this Lease results in the creation of any lien or encumbrance upon any of its property or its leasehold interest herein.

**Section 18: Finance.**

The Lessor nor any other agency or political subdivision shall be requested by the Lessee to issue, or shall issue, any bonds, notes or other instrument for any type of financing of the Project.

**Section 19: Limitation of Liability of Lessor.**

Lessor shall have no liability for any losses, expenses injuries, or damages arising out of or in any way related to the Project and/or this Lease by reason or any act or omission, including breach of contract or negligence not amounting to a willful or intentional wrong.

Any claim for monetary damages against Lessor for liability arising out of a claim related to the Project and/or the Lease shall be limited to the amount of Fifty Thousand Dollars (\$50,000).

In no event shall Lessor have any liability for incidental, indirect, punitive, special or consequential damages including, but not limited to, lost profits, loss of use and costs of replacement

None of the State, any political subdivision of the State or the taxpayers shall have any financial obligation in relation to the Project including the construction, operation and maintenance, and decommissioning thereof.

The provisions of this Section shall survive termination of the Lease.

**Section 20: Ownership of Improvements.**

All improvements placed in the Leased Area by the Lessee, shall remain the sole property of the

Lessee. Upon termination of the Lease, the Lessor may elect to take ownership of any said improvements that are not removed by Lessee or Decommissioned in accordance with this Lease, whereupon the Lessee shall provide such documentation as the Lessor may request to evidence the transfer of such ownership.

The provisions of this Section shall survive termination of the Lease.

**Section 21: Governing Law.**

This Lease shall be governed by the laws of the State of Rhode Island and each party to this Lease hereby submits to the venue and jurisdiction of the state courts of the State of Rhode Island for resolution of any dispute hereunder. Lessor does not hereby consent or submit to the jurisdiction of any court other than the courts for the State of Rhode Island.

**Section 22: Conflict with OSAMP, COP, Decision and/or Assent.**

To the extent this Lease directly conflicts with the OSAMP, the COP, Decision and/or Assent, the provisions of the OSAMP, the COP, Decision and/or Assent shall control.

**Section 23: Captions.**

The captions in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Lease nor in any way shall affect this Lease or the construction of any provision hereof.

**Section 24: Negotiated Document.**

The Parties acknowledge that the provisions and language of this Lease have been negotiated, and agree that no provision of this Lease shall be construed against any party by reason of such party having drafted such provision or this Lease.

**Section 25: No Third Party Beneficiary.**

Except as may be expressly provided to the contrary, nothing contained in this Lease shall or shall be construed to confer upon any person other than the Lessor and Lessee, any rights, remedies, benefits or cause of action to any extent whatsoever.

**Section 26: Arbitration**

In the event the Lessor and Lessee cannot agree upon the types and amounts of coverage as

provided in Section 9, the matter shall be submitted to arbitration in accordance with the then commercial arbitration rules of the American Arbitration Association. Any such arbitration shall be conducted in Providence, Rhode Island. Notwithstanding the foregoing the parties may mutually agree to submit any dispute to mediation or other alternative dispute resolution proceeding.

The parties shall mutually agree on a single arbitrator, or, in the event no agreement can be reached, the Lessor and the Lessee shall each choose an arbitrator and those two arbitrators shall select a third arbitrator and the arbitration shall then be conducted by the three arbitrators.

Each arbitrator must be a duly licensed insurance agent with at least fifteen (15) years' experience in the field of commercial insurance.

As soon as the arbitrator(s) have been selected, a preliminary hearing date shall be set to occur as soon as reasonably possible, and in any event no later than forty-five (45) days thereafter. By a date prior to the hearing and set by the arbitrators, written submittals shall be presented and exchanged by both parties before the hearing date, including reports of experts upon whom either party intends to rely. At or before the preliminary hearing, the parties will also exchange copies of all documentary evidence upon which they will rely and a list of witnesses whom they intend to call to testify. Each party shall make their respective experts available for deposition by the other party at least fourteen (14) days prior to the final hearing date. The final hearing date shall be set for a date not greater than forty-five (45) days from the preliminary hearing date. The deadlines set forth herein shall be strictly adhered to and may only be modified by agreement of the parties or by the arbitrator(s) upon a finding of exceptional circumstances necessitating a delay.

Notwithstanding the parties' agreement to arbitrate disputes arising under Section 9, any party may seek emergency relief or provisional remedies in a court of law without waiving their rights under this Section.

The arbitrator(s) shall be strictly bound by the provisions of this Lease and may only interpret the same and shall make no additions or alterations thereto or therefrom.

#### **Section 27: Severability Clause.**

If any provision of this Lease is held unenforceable, all remaining provisions of this Lease will remain in full force and effect.

#### **Section 28: Modification.**

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This Lease may be modified or amended only by mutual agreement of the Lessor and the Lessee. No such modification or amendment will be binding unless it is in writing and signed by the Lease Representatives of both the Lessor and the Lessee.

**Section 29: Estoppel Certificates.**

The Lessor shall cooperate with Lessee in the execution and delivery of such consents and other documents as a Leasehold Mortgagee may reasonably request, including, without limitation, any instruments reasonably required to evidence such Leasehold Mortgagee's rights under this Lease. Within ten (10) days of receipt from the Lessee or from any existing or proposed Leasehold Mortgagee or assignee, the Lessor shall execute an estoppel certificate certifying that this Lease is in full force and effect and has not been modified (or, if the same is not true, stating the current status of this Lease). Any such statements may be conclusively relied upon by the Lessee or any existing or proposed Leasehold Mortgagee or assignee. The failure of the Lessor to deliver such statement within such time shall be conclusive evidence upon Lessor that this Lease is in full force and effect and has not been modified.

**Section 30: Recording.**

Lessee may record a copy of this Lease or any notice thereof, or any modification or amendment thereof.

Deepwater Wind Block Island, LLC  
Lessee

RI Coastal Resources Management Council  
Lessor

Jeffrey Grybowski  
(Signature of Authorized Officer)

Anne Maxwell Livingston  
(Signature of Authorized Officer)

Jeffrey Grybowski  
(Name of Signatory)

Anne Maxwell Livingston  
(Name of Signatory)

Chief Executive Officer  
(Title)

Chair  
(Title)

11/12/14  
(Date)

Nov 12, 2014  
(Date)

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence in said County on the 12<sup>th</sup> day of November, 2014, before me personally appeared the above named Jeffrey Grybowski of Providence, who proved to me through satisfactory evidence of identification, which was [ ] photographic identification with signature issued by a federal or state government agency, or [X] personal knowledge of the undersigned, to be the party executing the foregoing instrument, and X acknowledged said instrument, by X executed, to be X free act and deed, individually and in said capacity, and the free act and deed of Jeffrey Grybowski.

Stacy Ambrozak  
Notary Public # 755696  
Printed Name: Stacy Ambrozak  
My commission expires: 8/26/2017

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence in said County on the 12 day of November, 2014, before me personally appeared the above named Anne Marshall Lempke of Jonestown, who proved to me through satisfactory evidence of identification, which was [ ] photographic identification with signature issued by a federal or state government agency, or [X] personal knowledge of the undersigned, to be the party executing the foregoing instrument, and X acknowledged said instrument, by X executed, to be X free act and deed, individually and in said capacity, and the free act and deed of Anne Marshall Lempke.

River A. Goldman, Esq.  
Notary Public  
Printed Name: River A. Goldman  
My commission expires: 1/7/17

**ADDENDUM "A"**

**DESCRIPTION OF LEASED AREA AND LEASE  
 ACTIVITIES**

I. Lessor and Lessee Contact Information

(a) Lessor's Contact Information

	<b>Lease Representative</b>	<b>Operations Representative</b>
Name	Grover Fugate	Dan Goulet, PE
Title	Executive Director	
Address	4808 Tower Hill Road Wakefield, RI 02879	4808 Tower Hill Road Wakefield, RI 02879
Phone	401-783-3370	401-783-3370
Fax	401-783-3767	401-783-3767
Email	gfugate@crmc.ri.gov	dgoulet@crmc.ri.gov

(b) Lessee's Contact Information

	<b>Lease Representative</b>	<b>Operations Representative</b>
Name	David Schwartz	Paul Murphy
Title	General Counsel	Project Manager
Address	56 Exchange Terrace Providence, RI 02903	56 Exchange Terrace Providence, RI 02903
Phone	401-648-0608	401-648-0613
Fax	401-228-8004	401-228-8004
Email	dschwartz@dwwind.com	pmurphy@dwwind.com

II. Description of Leased Area

The Leased Area shall be comprised of five (5) separate parcels consisting of the submerged lands upon which each wind turbine of the Project is constructed together with the submerged lands within two hundred feet of the outside perimeter of each foundation for each wind turbine.

The approximate location of the wind turbines is annexed to this Addendum A and such locations shall be amended upon the submission of an as built plan by the Lessee depicting the actual location of each wind turbine foundation after completion of construction.

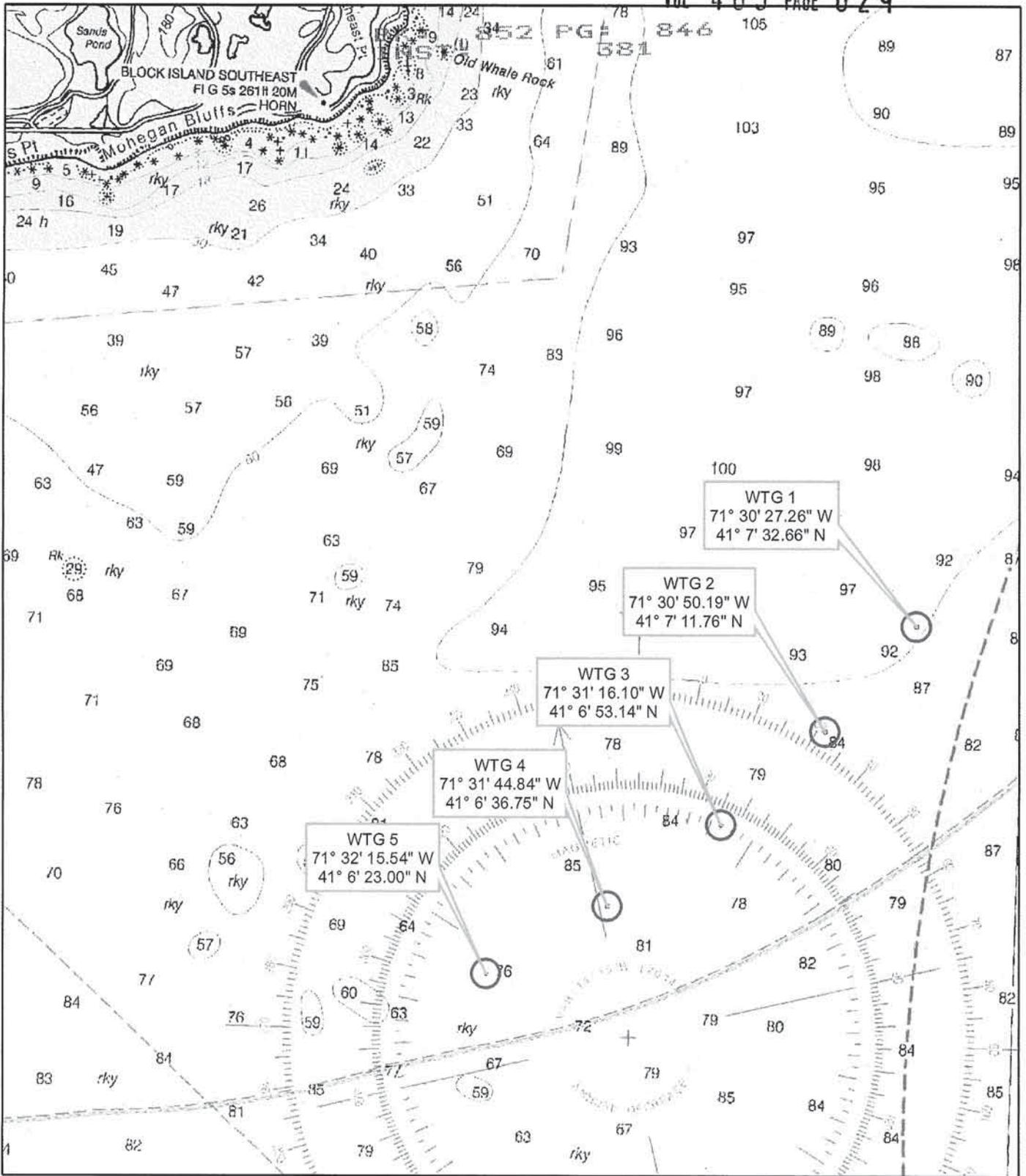
III. Renewable Energy Resource

Wind

IV. Description of the Project and Activities

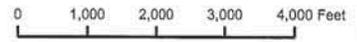
The Block Island Wind Farm - a project to generate energy using wind turbine generators and any associated resource assessment activities in the Leased Area, as well as associated inner array cables, and subsea export cables, in accordance with the COP, Decision and/or Assent and relevant regulations.

The installation, construction, reconstruction, repair, replacement, maintenance, operation, use, inspection, patrol, decommissioning and removal such facilities, in accordance with the COP, Decision and/or Assent and relevant regulations.



- Turbine Array
- ▭ Lease Area
- - - 3 Nautical Mile Line (State Waters)

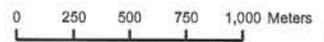
Deepwater Wind  
Block Island Wind Farm  
Coastal Resources Management Council  
Lease Area



Data Sources:  
NOAA

November 2014

NOTE: Lease Area to be updated post-installation to reflect as-built location of wind turbines.



**ADDENDUM "B"**

LEASE TERM AND FINANCIAL SCHEDULE

I. Lease Term

The duration of the Lease is described below. The Lease term may be extended or otherwise modified with approval of the Lessor in accordance with applicable statutes and regulations.

<b>Lease Term</b>	
Commencement Date	Effective Date
Termination Date	25 <sup>th</sup> anniversary of COD

Renewal: The Lessee may request renewal of the operations term of this Lease, in accordance with applicable statutes and regulations. The Lessor, at its discretion, may approve a renewal request to conduct substantially similar activities as were originally authorized under this Lease or in an approved plan. The Lessor will not approve a renewal request that involves development of a type of renewable energy not originally authorized in the Lease. The Lessor may revise or adjust payment terms of the original Lease as a condition of Lease renewal.

II. Payments

The Lessee must make payments as described below.

- a. Annual Rent. Lessee shall make an annual rent payment to Lessor (the "Annual Rent") without setoff, deduction or demand. Annual Rent shall be payable in advance commencing on the Commencement Date and on the same day each year thereafter. The Annual Rent shall be the greater of \$150,000.00 or the formula (The "Rent Formula") set forth below:

<u>F<sub>t</sub></u>	=	<u>M<sub>t</sub></u>	*	<u>H</u>	*	<u>c<sub>p</sub></u>	*	<u>P<sub>t</sub></u>	*	<u>r<sub>t</sub></u>
<u>(annual rent)</u>		<u>(nameplate capacity)</u>		<u>(hours per year)</u>		<u>(capacity factor)</u>		<u>(power price)</u>		<u>(operating fee rate)</u>
		<u>30</u>	*	<u>8760</u>	*		*		*	<u>0.02 (2%)</u>

t =	The year for which the Rent Formula is being calculated (ie. t in lease year one is 2014).
<u>F<sub>t</sub></u> =	The dollar amount of the potential Annual Rent.

$C_p$  = The "Capacity Factor" in Performance Period  $p$ , which represents the share of the anticipated generation of the Project that is delivered to where the Lessee's Project interconnects with the electric grid relative to its generation at continuous full power operation at the nameplate capacity, expressed as a decimal between zero and one.

The initial Capacity Factor shall be set to 0.4 as of the Effective Date.

The Capacity Factor will be subject to adjustment at the end of each Performance Period. After the sixth year of Commercial Operations on the Lease has concluded, the Lessee will utilize data gathered from years two through six on the Lease and propose a revised Capacity Factor as provided in Table 1. The same process shall be followed at the conclusion of each five-year Performance Period, thereafter.

Table 1: Performance Periods

Performance Period	Commercial Operation Years	Payments Affected by Adjustment	Capacity Factor	Date End Year
0	Not Applicable	Payments 1 to 7	0.4	
1	$t = 2$ to 6	Payments 8 to 12		
2	$t = 7$ to 11	Payments 13 to 17		
3	$t = 12$ to 16	Payments 18 to 22		
4	$t = 17$ to 21	Payments 23 to 25		

Adjustments to the Capacity Factor

The actual five (5) year Average Capacity Factor ( $X_p$ ) is calculated for each Performance Period after COD ( $p > 0$ ) per Equation 1 below.  $X_p$  represents the sum of the actual, metered electricity generation in megawatt hours (MWh) at the Delivery Point to the electric grid ( $A_t$ ) divided by the amount of electricity generation in MWh that would have been produced if the Project operated continuously at its full, stated capacity ( $M_t$ ) in all of the hours ( $h_t$ ) in each year,  $t$ , of the corresponding five-year period.

Equation 1

$$X_p = \frac{\sum_{t=n-4}^n A_t}{\left( \sum_{t=n-4}^n M_t * h_t \right)}$$

Where:

$M_t$  = Nameplate Capacity as defined above.

$n$  = "Date End Year" value for the Performance Period,  $p$ , as defined in Table 1

$p$  = Performance Period as defined in Table 1.

$A_t$  = Actual generation in MWh associated with each year of Commercial Operations,  $t$ , on the Lease that is transferred at the Delivery Point; Delivery Point meter data supporting the values submitted for annual actual generation must be recorded, preserved, and timely provided to the Lessor upon request. In the event the Lessor requires the assistance of the Lessee in obtaining information useful in verifying such information, for example, by waiving confidentiality with respect to data held by a third party, such assistance must be timely provided.

$h_t$  = Hours in the year on which the Actual Generation associated with each year of Commercial Operations,  $t$ , on the Lease is based; this definition of "hours in the year" differs from the definition of  $H$  above. The hours in the year for purposes of calculating the capacity factor must take into account the actual number of hours, including those in leap years.

The value of the Capacity Factor corresponding to each Performance Period ( $c_p$ ) is set according to equations 2A, 2B and 2C as follows for each value of  $p$  greater than zero. The Capacity Factor is set equal to the Actual five (5) year Average Capacity Factor provided that the value falls within a range of plus or minus 10 percent of the previous Performance Period's capacity factor.

Equations 2A, 2B and 2C:

$$2A \quad c_p = X_p \text{ for } c_{p-1} * 0.90 \leq X_p \leq c_{p-1} * 1.10$$

$$2B \quad c_p = c_{p-1} * 0.90 \text{ for } X_p < c_{p-1} * 0.90$$

$$2C \quad c_p = c_{p-1} * 1.10 \text{ for } X_p > c_{p-1} * 1.10$$

All values for  $c_p$  must be rounded to the nearest third decimal place.

$P_t$  = A measure of the annual average wholesale electric power price expressed in dollars per MW hour.

The Lessee must calculate  $P_t$  at the time each operating fee payment is due, subject to approval by the Lessor. The Basic Price ( $P_b$ ) must equal the weighted average of the peak and off-peak spot price indices for the Northeast – Mass Hub power market for the most recent year of data available as reported by the Federal Energy Regulatory Commission (FERC) as part of its annual State of the Markets Report with specific reference to the summary entitled "Electric Market Overview: Regional Spot Prices." If FERC stops publishing its annual State of the Markets Report required for this calculation or the specified location of the data changes over time, the Lessor must specify an alternate source of data and methodology that is approximately equivalent.

The peak and off-peak price indices must be weighted 52.40% and 47.60% respectively, for purpose of estimating the weighted index value for the Base Price. The calculation of  $P_b$  must be rounded up to the nearest, second decimal place.

The Base Price must be adjusted for inflation from the year associated with the published spot prices to the year in which the Rent Formula is being calculated as shown in Equations 3A and 3B:

Equation 3A

$$P_t = P_b * \left( \frac{GDP_g}{GDP_{g-1}} \right)^{y-g} * \left( \frac{GDP_g}{GDP_b} \right) \text{ for } g \geq b$$

Equation 3B

$$P_t = P_b * \left( \frac{GDP_g}{GDP_{g-1}} \right)^{y-b} \text{ for } g < b$$

Where:

GDP = Annual Implicit Price Deflators for Gross Domestic Product (GDP deflator index) from Table 1.1.9, line 1, in the Survey of Current Business published by the U.S. Bureau of Economic Analysis (BEA) in the specified period. If BEA stops publishing the data required for this calculation, or the specified location of the data changes over time, the Lessor will specify an alternative source of data and methodology that it considers approximately equivalent.

$b$  = The most recent year for which FERC reports the appropriate electricity spot price data expressed as the year, e.g., 2009, as in the illustrative example below.

$g$  = The most recent year for which the GDP deflator indices are available from the BEA expressed as the year, e.g., 2011, as in the illustrative example below.

$y$  = The year the annual payment is due expressed as the year corresponding to the value of  $t$  described above, e.g., 2013, as in the illustrative example below.

The second term on the right-hand side of the equation (3A) represents a projected annual change in the index of inflation employing the last year of data available from BEA, while the third term represents the cumulative change in the index of inflation up to the previous year.

Example:

The following hypothetical example is provided to illustrate the methodology using Equation 3A and the illustrative values provided for  $b$ ,  $g$ , and  $y$  above, applied to historical GDP deflator data. If the actual FERC price indices are based on 2009 data

and the GDP deflator indices are available for 2011, the inflation-adjusted price index value would be determined from the equation (3A) as follows for payment occurring in  $y = 2013$ :

$$P_{t(2013)} = P_{2009} * \left( \frac{GDP_{2011}}{GDP_{2010}} \right)^{2013-2011} * \left( \frac{GDP_{2011}}{GDP_{2009}} \right) = \frac{\$40.69}{\text{MWh}} * \left( \frac{113.359}{110.993} \right)^2 * \left( \frac{113.359}{109.529} \right) = \frac{\$43.93}{\text{MWh}}$$

Note: The current GDP deflator index is 113.359 for 2011, 110.993 for 2010, and 109.529 for 2009 (last revised by BEA on February 28, 2013); the FERC index price for the year 2009 is \$40.69/MWh (On-peak: \$46.24/MWh; Off-peak: \$34.57/MWh; last revised March 12, 2012). Although 2011 FERC prices are available, the 2009 prices are used in the example to illustrate the concept.

The Lessor and the Lessee will use the latest FERC price indices and revised BEA GDP deflator index values at the time the pricing adjustments are made. The source of the data used in the calculations must be noted in the Lessee's documentation supporting their estimate of the value  $P_t$  each year for review and approval by the Lessor.

$r_t$  = The operating fee rate of 0.02 (2%).

- b. Manner of Payment. Rent to be paid to Lessor shall be paid in legal tender to Lessor at such address as Lessor may from time to time designate in writing. For any period of less than a full month or year, as the case may be the applicable payment shall be prorated.
- c. Past Due Sums. All past due payments of Rent due Lessor shall bear interest at the rate of eighteen percent (18%) per annum calculated on a 360 day calendar year.
- d. All Rent to Be Net. Except as is otherwise specifically provided in this Lease, it is the purpose and intent of Lessor and Lessee that the Rent shall be absolutely net to Lessor and that Lessee shall be fully responsible for all costs associated with the construction, use, management and operation of the project. Without limitation of the foregoing, Lessee agrees to pay, and shall save Lessor harmless from and against all impositions, insurance costs, and all other costs, and expenses and obligations of every kind and nature whatsoever, whether ordinary or extraordinary, foreseen or unforeseen, associated with the Project and including any improvements required by Governmental Authorities in connection with this Lease or the Lessee's project.

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**ADDENDUM "C"**

LEASE-SPECIFIC TERMS, CONDITIONS, AND  
STIPULATIONS

The Lessee's rights to conduct activities on the Leased Area are subject to the terms of the Lease, all applicable regulations and the stipulations as set forth in the Decision dated June 13, 2014 (Docket 2012-09-065), and the Assent all of which are incorporated herein by reference.

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**ADDENDUM "D"**

**PROJECT LICENSES**

Project Licenses, if any, associated with this Lease, are described below.

1. License for the installation, maintenance and operation of undersea cables and related components to/from the wind turbines of the Project and New Shoreham, Rhode Island by the Lessee all as more fully set forth in a License Agreement between the Lessee and Lessor.

BK: 852 PG: 854  
INST: 381**ADDENDUM "E"**

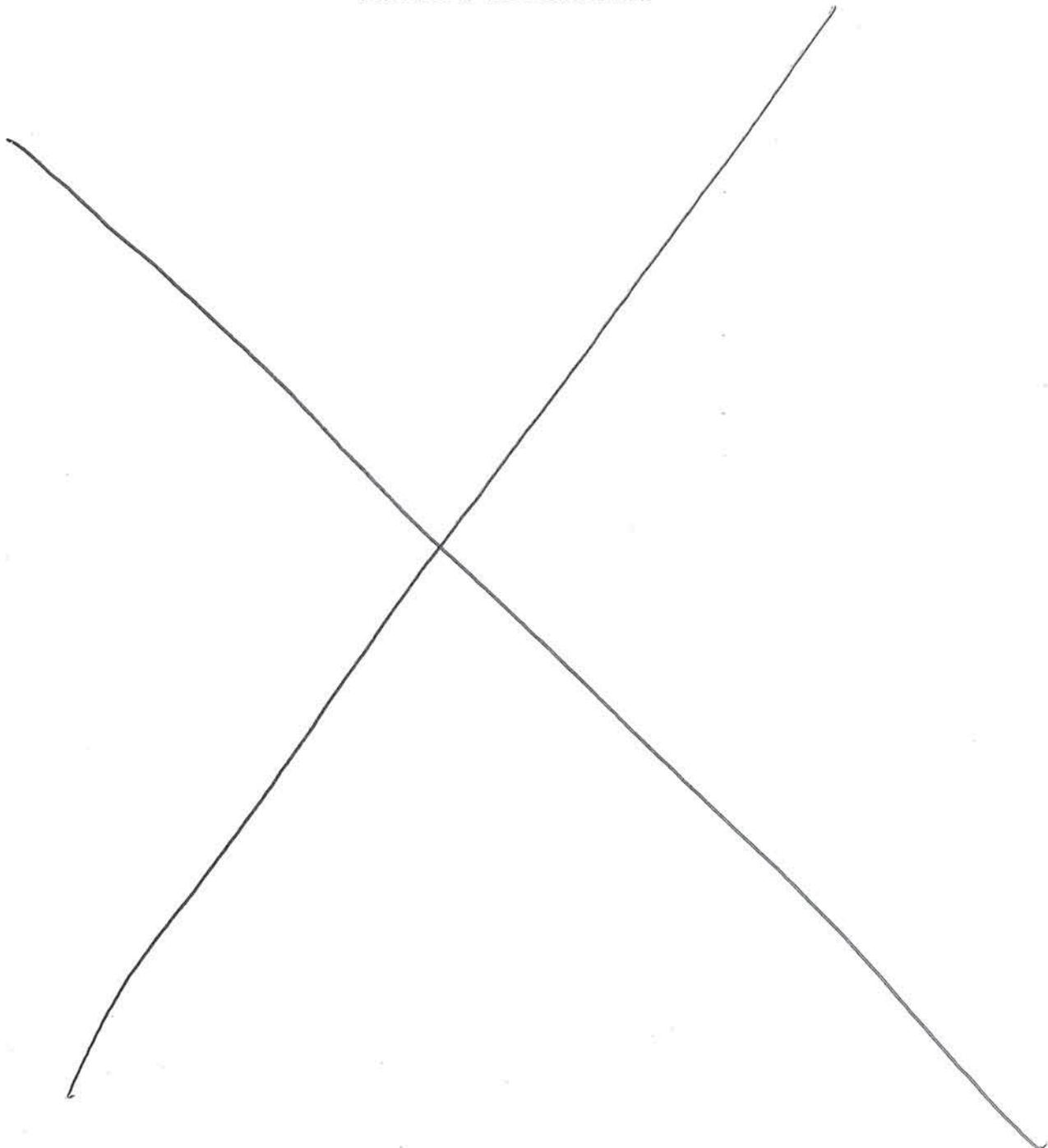
## Initial Decommissioning Budget

Engineering	450,000.00
Contingency	678,000.00
Decommission Turbines	
Cost Summary	20,000.00
Decommission Export cable	5,000.00
Mobilize Derrick Barge	700,000.00
WTG Site 1	867,000.00
WTG Site 2	855,000.00
WTG Site 3	810,000.00
WTG Site 4	780,000.00
WTG Site 5	735,000.00
2 Tugs and barges	860,000.00
Demobilize Derrick Barge	700,000.00
Onshore Scrap Yard	
	7,460,000.00

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**ADDENDUM "F"**

**ESCROW AGREEMENT**



**ESCROW AGREEMENT**

This Escrow Agreement ("**Escrow Agreement**" or "**Agreement**") is made as of \_\_\_\_\_, 20\_\_, among the Coastal Resources Management Council, an agency of the State of Rhode Island ("**CRMC**"), Deepwater Wind Block Island, LLC ("**DWW**") and together with CRMC, the "Parties"), and \_\_\_\_\_ ("**Escrow Agent**").

**RECITALS**

**WHEREAS**, pursuant to the Decision dated June 13, 2014, the CRMC approved DWW's application under the Ocean Special Area Management Program to construct a five turbine, 30 megawatt pilot wind farm three miles off the coast of Block Island and associated transmission system (the "Project");

**WHEREAS**, pursuant to that Decision, the CRMC issued an Assent dated November 12, 2014;

**WHEREAS**, pursuant to that Decision, CRMC and DWW entered in a certain Lease (the "Lease") dated November 12, 2014 (the "Lease") of which this Agreement is a part and incorporated therein as an Addendum;

**WHEREAS**, all capitalized terms used herein not defined in this Agreement shall have the meaning as defined in the Lease;

**WHEREAS**, in accordance with and subject to the conditions set forth in the Decision, the Assent and the Lease, DWW agreed to establish a Decommissioning Fund to ensure that the removal of all structures and restoration of the leased area (as defined in the Lease) is completed following Lease termination, whether by expiration, cancellation, contraction or relinquishment;

**NOW, THEREFORE**, in consideration for the mutual covenants and agreements contained herein, the parties hereto agree as follows:

Section 1. **Principal**. Commencing with the fifth anniversary of the commencement of commercial operations of the wind farm, DWW shall make deposits with the Escrow Agent in the amounts set forth in Schedule 1 (the "**Principal**"). Upon deposit with the Escrow Agent, all funds shall become property of the State of Rhode Island acting by and through CRMC. DWW shall have no other interest in the funds held in the Escrow Account except as specifically set forth in this Agreement and DWW shall not attempt to pledge or encumber such funds. The Escrow Agent shall hold the Principal and, subject to the terms and conditions hereof, shall invest and reinvest the Principal and the proceeds thereof (the "**Escrow Account**") as directed in Section 2.

Section 2. **Bank Account**. During the term of this Escrow Agreement, the Principal shall be invested as provided in the Lease or otherwise consented to by CRMC and DWW jointly, unless otherwise instructed in writing by the Parties and as shall be acceptable to the Escrow Agent. Written investment instructions, if any, shall specify the type and identity of the investments to be purchased and/or sold. The Escrow Agent is hereby authorized to execute purchases and sales

of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation from DWW with respect to any investment directed hereunder including without limitation charging an agency fee in connection with each transaction. The Parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Escrow Account or the purchase, sale, retention or other disposition of any investment described herein. The Escrow Agent shall not have any liability for any loss sustained as a result of any investment in an investment made pursuant to the terms of this Escrow Agreement or as a result of any liquidation of any investment prior to its maturity or for the failure of the Parties to give the Escrow Agent instructions to invest or reinvest the Escrow Account. The Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Escrow Agreement. All interest or income earned in the Escrow Account shall become part of the Escrow Account and shall constitute part of the Principal.

Section 3. Decommissioning Disbursements. Except as otherwise provided in Section 4, no Principal shall be released from the Escrow Account until the Escrow Agent is in receipt of notice (the "Decommissioning Notice"), in the form attached hereto as Exhibit A, from both DWW and CRMC that DWW is commencing the decommissioning of the Project. Thereafter, the Escrow Agent shall release the Principal to CRMC as follows:

- a. Subsequent to the issuance of the Decommissioning Notice, DWW may submit a requisition to the CRMC on or before the fifth (5<sup>th</sup>) day of each month in the form attached hereto as Exhibit B.
- b. On or before the 15<sup>th</sup> day of each month in which CRMC receives a Requisition, CRMC shall either submit the Requisition to the Escrow Agent for payment, or, shall notify DWW of any deficiencies in the Requisition that are not in compliance with this Agreement and/or the Lease. In the event of deficiencies in a Requisition, CRMC shall submit to the Escrow Agent such portion of the Requisition that is approved by CRMC.
- c. The Escrow Agent shall release to the CRMC the amount of the Requisition and CRMC shall make payment to each vendor contained in an approved Requisition (or such part of a Requisition that has been approved) from the funds provided by the Escrow Agent. CRMC shall have no obligation to make any payments in connection with any Requisition unless funds have been paid for such expenditure from the Escrow Agent.
- d. Provided no Event of Default has occurred under the Lease and no event has occurred that with the passage of time shall constitute an Event of Default unless cured, the Escrow Agent shall return the balance of the Principal and any accrued interest to DWW within ten (10) Business Days of the receipt by the Escrow Agent of notice, in the form attached hereto as Exhibit C, from CRMC that decommissioning of the Project has been completed in accordance with the Lease.

Section 4. Other Disbursements. If CRMC notifies the Escrow Agent, in the form attached hereto as Exhibit D, that notice of termination of the Lease has been provided to DWW, or, otherwise failed to decommission the Project in accordance with the Lease, then the Escrow Agent shall release the Principal to CRMC for the purposes of decommissioning the Project.

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Section 5. Escrow Agent Fees. DWW agrees to (a) pay the Escrow Agent for the services to be rendered hereunder, which unless otherwise agreed in writing shall be as described in Schedule 2 attached hereto, and (b) pay or reimburse the Escrow Agent upon request for all expenses, disbursements and advances, including, without limitation reasonable attorney's fees and expenses, incurred or made by it in connection with the performance of this Agreement.

Section 6. Escrow Agent.

- a. The Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the Parties, in connection herewith, except for the Lease of which this Agreement is a part, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Escrow Agreement. In the event of any conflict between the terms and provisions of this Escrow Agreement, and any other agreement among the Parties, the terms and conditions of this Escrow Agreement shall control. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper Party or Parties without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Escrow Account, without limitation, the Principal nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder.
- b. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a final adjudication of a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either Party. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through attorneys, and shall be liable only for its gross negligence or willful misconduct (as finally adjudicated in a court of competent jurisdiction) in the selection of any such attorney. The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel, accountants or other skilled persons. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Escrow Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all

property held in escrow until it shall be given a direction in writing by the Parties which eliminates such ambiguity or uncertainty to the satisfaction of Escrow Agent or by a final and non-appealable order or judgment of a court of competent jurisdiction. The Parties agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

Indemnity. DWW shall indemnify, defend and hold harmless the Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel) (collectively "Losses") arising out of or in connection with (a) the Escrow Agent's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnatee, except in the case of any Indemnatee to the extent that such Losses are finally adjudicated by a court of competent jurisdiction to have been primarily caused by the gross negligence or willful misconduct of such Indemnatee, or (b) its following any instructions or directions, whether joint or singular, from the Parties, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof. The Parties hereto acknowledge that the foregoing indemnities shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

Notwithstanding the rights of the Escrow Agent set forth in this Section 6, DWW and the CRMC do not hereby waive, forfeit or in any way limit any of their respective rights of contribution from each other or any other claims they may have against each other with respect to this Escrow Agreement.

Section 7. Successor Escrow Agent.

- a. DWW and CRMC may at any time upon two (2) Business Days' prior written notice signed by both DWW and CRMC remove Escrow Agent.
- b. DWW and CRMC shall jointly agree on and appoint a successor Escrow Agent, provided that any such successor shall agree in writing to be bound by the provisions of this Agreement.
- c. Upon receipt of the identity of the successor Escrow Agent, Escrow Agent shall deliver the Principal and any interest or income then held hereunder to the successor Escrow Agent, with any Escrow Agent's fees and expenses to be paid by DWW.

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- d. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days advance notice in writing of such resignation to the Parties specifying a date when such resignation shall take effect.
- e. If the Parties have failed to appoint a successor escrow agent prior to the expiration of thirty (30) days following receipt of the notice of resignation, the Escrow Agent may petition any court of the State of Rhode Island for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Escrow Account (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order or judgment of a court of competent jurisdiction, at which time of delivery Escrow Agent's obligations hereunder shall cease and terminate, subject to the provisions of Sections 5 and 7 hereunder. .
- f. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

#### Section 8. Notices.

All notices and other communication required or permitted hereby shall be duly deemed delivered and received:

- a. upon delivery, if delivered personally, or upon confirmed transmittal, if by facsimile or electronic mail;
- b. on the next Business Day if sent by overnight courier; or
- c. One (1) Business Days after mailing if mailed by prepaid registered mail, return receipt requested, to the appropriate notice address set forth below or at such other address as any party hereto may have furnished to the other parties in writing by registered mail, return receipt requested.

If to DWW:

If to CRMC:

If to Escrow Agent:

Notwithstanding anything to the contrary contained in this Section 8, any notice of change of address shall be effective only upon receipt thereof. Failure to accept a notice does not invalidate the notice. Notwithstanding the foregoing, in the case of communications delivered to the Escrow Agent pursuant to (a), (b) and (c) of this Section 8, such communications shall be deemed to have been given on the date received by an officer of the Escrow Agent or any employee of the Escrow Agent who reports directly to any such officer at the above-referenced

office. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication, as the Escrow Agent deems appropriate. "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth above is authorized or required by law or executive order to remain closed.

Section 9. Patriot Act Disclosure/Taxpayer Identification Numbers/Tax Reporting.

- a. **Patriot Act Disclosure.** Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires the Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, the Parties acknowledge that Section 326 of the USA PATRIOT Act and the Escrow Agent's identity verification procedures require the Escrow Agent to obtain information which may be used to confirm the Parties identity including without limitation name, address and organizational documents ("identifying information"). The Parties agree to provide the Escrow Agent with and consent to the Escrow Agent obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Escrow Agent.
- b. **Taxpayer Identification Numbers ("TIN").** The Parties have provided the Escrow Agent with their respective fully executed Internal Revenue Service ("IRS") Form W-8, or W-9 and/or other required documentation. The Parties each represent that its correct TIN assigned by the IRS, or any other taxing authority, is set forth in the delivered forms, as well as in the Substitute IRS Form W-9 set forth on the signature page of this Escrow Agreement.
- c. **Tax Reporting.** All interest or other income earned under the Escrow Agreement shall be allocated to CRMC and reported, as and to the extent required by law, by the Escrow Agent to the IRS, or any other taxing authority. The Parties acknowledge and agree that Escrow Agent shall have no responsibility for the preparation and/or filing of any income, franchise or any other tax return with respect to the Escrow Account or any income earned by the Principal. The Parties further acknowledge and agree that any taxes payable from the income earned on the investment of any sums held in the Principal shall be paid by DWW. In the absence of written direction from the Parties, all proceeds of the Escrow Account shall be retained in the Escrow Account and reinvested from time to time by the Escrow Agent as provided in this Agreement.

Section 10. Security Procedures. In the event funds transfer instructions are given (other than in writing at the time of execution of this Agreement), whether in writing, by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the person or persons designated on Schedule 3 hereto, and the Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in a writing actually received and acknowledged by the Escrow Agent. If the Escrow Agent is unable to contact any of the authorized representatives identified in Schedule 2, the Escrow Agent is hereby authorized to

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seek confirmation of such instructions by telephone call-back to any one or more of such Party's executive officers ("**Executive Officers**"), as the case may be, which shall include the titles of Executive Director or Deputy Director, for the CRMC and Chief Executive Officer, for DWV, as the Escrow Agent may select. Such "Executive Officer" shall deliver to the Escrow Agent a fully executed incumbency certificate, and the Escrow Agent may rely upon the confirmation of anyone purporting to be any such officer. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Parties to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Parties acknowledge that these security procedures are commercially reasonable.

Section 11. Compliance with Court Orders. In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

Section 12. The Escrow Agent shall have no obligation other than to comply with terms of this agreement and applicable provisions of the Lease affecting the Decommissioning Fund established hereunder.

Section 13. Miscellaneous. The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by the Escrow Agent and the Parties. Neither this Escrow Agreement nor any right or interest hereunder may be assigned in whole or in part by the Escrow Agent or any Party, except as provided in Section 8, without the prior consent of the Escrow Agent and the other parties. This Escrow Agreement shall be governed by and construed under the laws of the State of Rhode Island. Each party hereto irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the State courts located in the State of Rhode Island, Providence County. The Parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Escrow Agreement. No party to this Escrow Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Escrow Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control. This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Escrow Agreement may be

transmitted by facsimile, and such facsimile will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party. If any provision of this Escrow Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. A person who is not a party to this Escrow Agreement shall have no right to enforce any term of this Escrow Agreement. The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to Escrow Agent shall comply with applicable laws and regulations. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby irrevocably waived by the parties hereto to the fullest extent permitted by law, to the end that this Escrow Agreement shall be enforced as written. Except as expressly provided in Section 8 above, nothing in this Escrow Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of this Escrow Agreement or any funds escrowed hereunder.

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IN WITNESS WHEREOF, the undersigned have duly executed this Escrow Agreement as of the \_\_\_ day of \_\_\_\_\_, 2014.

CRMC:

COASTAL RESOURCES MANAGEMENT  
COUNCIL, an agency of the State of Rhode Island

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

DWW:

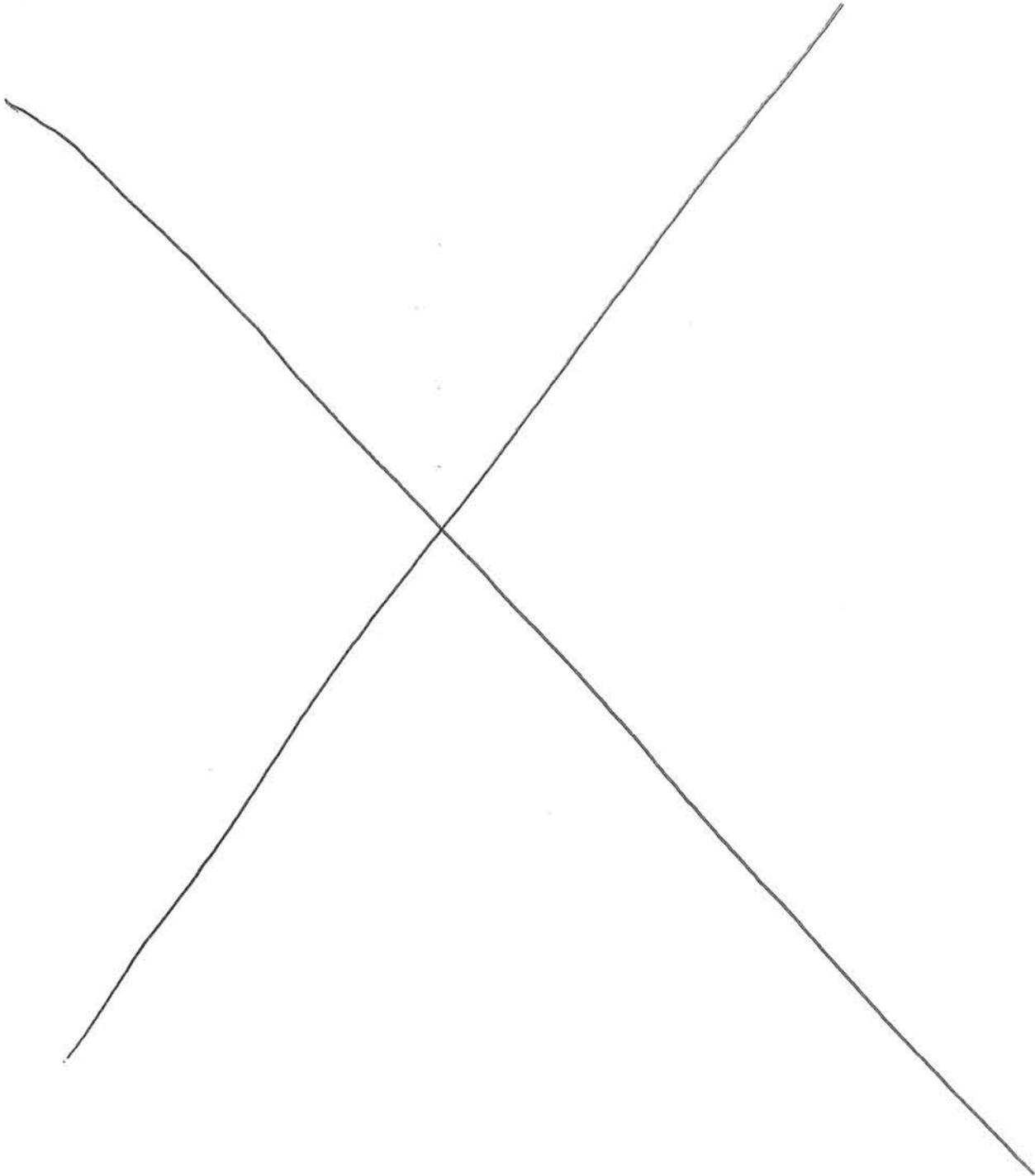
DEEPWATER WIND BLOCK ISLAND, LLC a  
Delaware limited liability company

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

ESCROW AGENT:

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

SCHEDULE 1  
**Deposit Schedule**



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SCHEDULE 2

**Escrow Services, Agent's Compensation:**

Annual Administration Fee: \$\_\_\_\_\_ per annum, without pro-ration for any partial years. The Escrow Agent's initial annual Administration fee is payable upon execution of this Escrow Agreement and annually thereafter on the anniversary date of this Escrow Agreement. All fees and other compensation payable to Escrow Agent shall be paid by DWW.

SCHEDULE 3

**Telephone Number(s) and authorized signature(s) for  
Person(s) Designated to give Funds Transfer Instructions**

If to DWW:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____	_____	_____

If to CRMC:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____	_____	_____

**Telephone Number(s) for Call-Backs and  
Person(s) Designated to Confirm Funds Transfer Instructions**

If to DWW:

	<u>Name</u>	<u>Telephone Number</u>
1.	_____	_____

If to CRMC:

	<u>Name</u>	<u>Telephone Number</u>
1.	_____	_____

Telephone call backs shall be made to both Parties if joint instructions are required pursuant to this Escrow Agreement. **All funds transfer instructions must include the signature of the person(s) authorizing said funds transfer and must not be the same person confirming said transfer.**

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Exhibit A  
FORM OF SECTION 3 REQUISITION NOTICE

[Date]

[CRMC]

\_\_\_\_\_

Attn: \_\_\_\_\_

RE: Escrow Account No. \_\_\_\_\_ /  
Escrow Agreement between the Coastal Resources Management Council, an  
agency of the State of Rhode Island ("CRMC"), Deepwater Wind Block Island,  
LLC ("DWW") and \_\_\_\_\_ ("Escrow Agent").

To whom it may concern:

Please be advised that DWW is commencing the decommissioning of the Project (as defined in the Escrow Agreement). Please accept this letter and attachments as a Requisition sent in accordance with the Escrow Agreement.

The following amounts are due and payable to vendors for goods and/or services related to the decommissioning of the Project:

Vendor	Amount Due
_____	_____
_____	_____
_____	_____
_____	_____

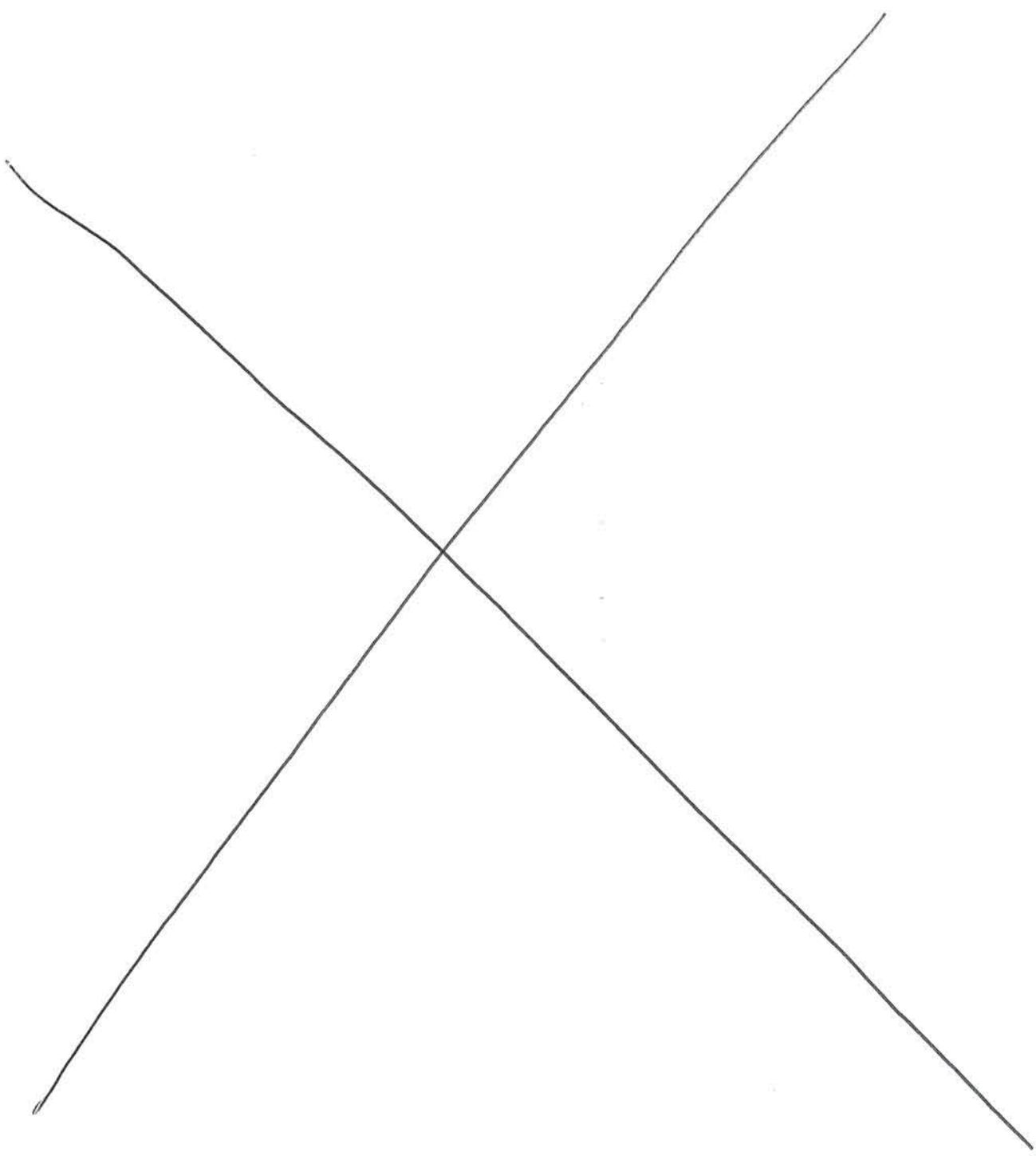
Accordingly you are requested to make disbursements in accordance with Section 3 of the Escrow Agreement.

DEEPWATER WIND BLOCK ISLAND, LLC a  
Delaware limited liability company

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

Certified by CVA:

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



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Exhibit B

FORM OF SECTION 3(c) NOTICE

[Date]

[Escrow Agent]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

RE: Escrow Account No. \_\_\_\_\_ /  
Escrow Agreement dated \_\_\_\_\_, between the Coastal Resources  
Management Council, an agency of the State of Rhode Island ("**CRMC**"),  
Deepwater Wind Block Island, LLC ("**DWW**") and \_\_\_\_\_  
("**Escrow Agent**").

To whom it may concern:

In accordance with Section 3(a) of the Escrow Agreement please disburse to CRMC an amount  
equal to \$ \_\_\_\_\_, representing the actual invoices received by DWW in connection  
with the decommissioning of the Project (as defined in the Escrow Agreement) for the period  
\_\_\_\_\_ through \_\_\_\_\_. Such amounts shall be disbursed as follows:

CRMC:

DEEPWATER WIND BLOCK ISLAND, LLC a  
Delaware limited liability company

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

ASSENTED TO BY:  
COASTAL RESOURCES MANAGEMENT COUNCIL

BY: \_\_\_\_\_  
Name:  
Title:

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Exhibit C  
FORM OF SECTION 3 (Surplus)

[Date]

[Escrow Agent]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

RE: Escrow Account No. \_\_\_\_\_/  
Escrow Agreement dated \_\_\_\_\_, between the Coastal Resources  
Management Council, an agency of the State of Rhode Island ("**CRMC**"),  
Deepwater Wind Block Island, LLC ("**DWW**") and \_\_\_\_\_  
("**Escrow Agent**").

To whom it may concern:

In accordance with Section 3 of the Escrow Agreement please disburse to DWW all principal  
and accrued but not yet disbursed interest to DWW and close the escrow account as  
decommissioning has been completed. Such amounts shall be disbursed as follows:

DWW:

COASTAL RESOURCES MANAGEMENT  
COUNCIL, an agency of the State of Rhode Island

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

Cc: DWW

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Exhibit D  
FORM OF SECTION 4 NOTICE

[Date]

[Escrow Agent]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

RE: Escrow Account No. \_\_\_\_\_/  
Escrow Agreement dated \_\_\_\_\_, between the Coastal Resources  
Management Council, an agency of the State of Rhode Island ("**CRMC**"),  
Deepwater Wind Block Island, LLC ("**DWW**") and \_\_\_\_\_  
 ("**Escrow Agent**").

To whom it may concern:

In accordance with Section 4 of the Escrow Agreement, please be advised that DWW has abandoned the Project and failed to decommission the Project, or CRMC has sent notice terminating the Lease. Please disburse to CRMC all principal and accrued but not yet disbursed interest to CRMC and close the escrow account. Such amounts shall be disbursed as follows:

CRMC:

COASTAL RESOURCES MANAGEMENT  
COUNCIL, an agency of the State of Rhode Island

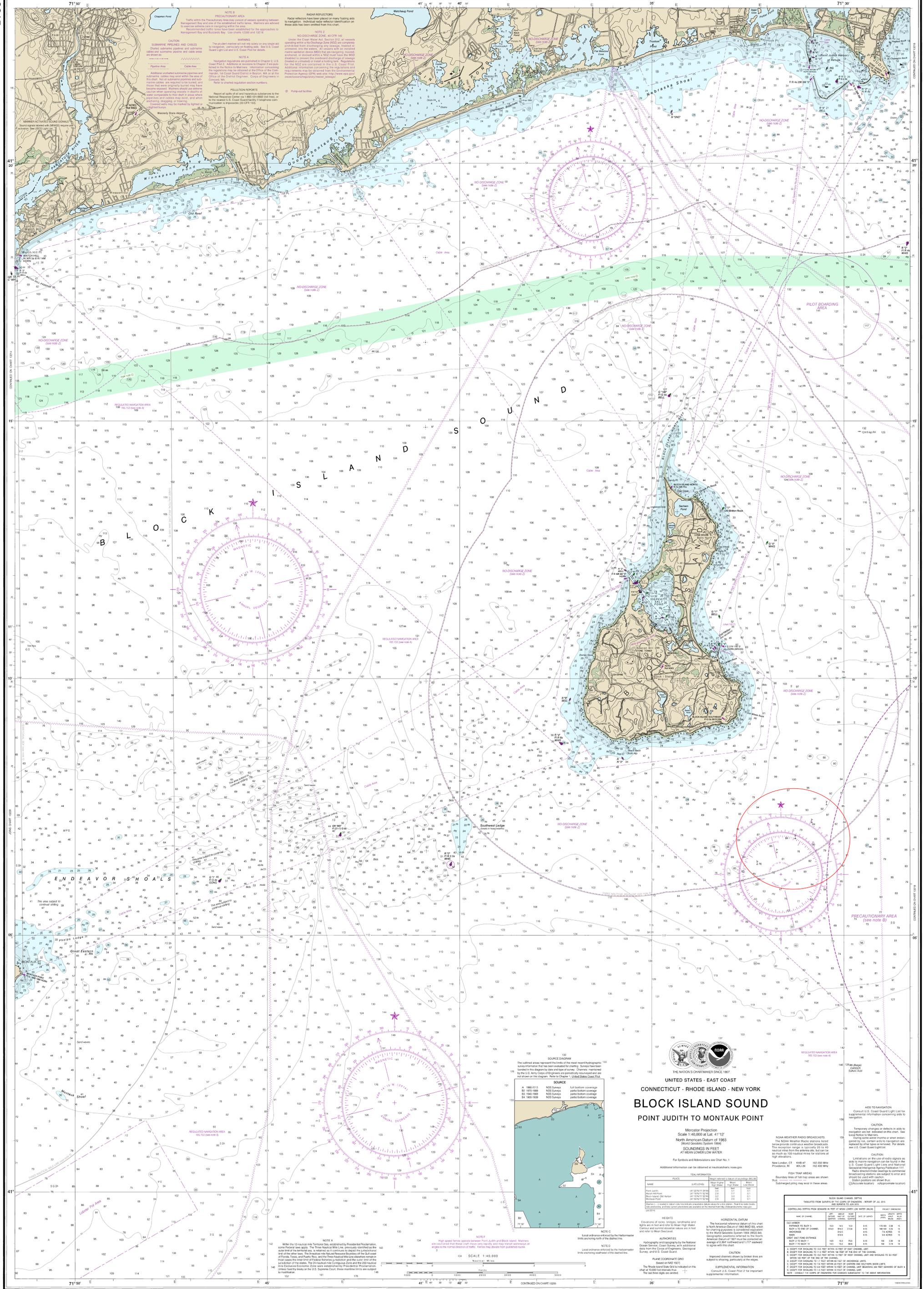
By: \_\_\_\_\_  
Name:  
Title:

Cc: DWW

RECEIVED FOR RECORD  
Feb 12, 2015 12:35:21P  
ANNE M. IRONS  
TOWN CLERK  
NARRAGANSETT, RI

RECEIVED FOR RECORD IN  
NEW SHOREHAM, R.I.  
DATE: 2-13-15 TIME: 10:16  
BY: FIONA FITZPATRICK TOWN CLERK

# **ATTACHMENT 3**



# **ATTACHMENT 4**

New England Power Company  
ISO New England Inc. Transmission, Markets & Services Tariff, 0.0.0  
Open Access Transmission Tariff

Original Service Agreement No. IA-NEP-26

**LARGE GENERATOR INTERCONNECTION AGREEMENT**

**BY AND BETWEEN**

**DEEPWATER BLOCK ISLAND WIND, LLC**

**AND**

**NEW ENGLAND POWER COMPANY d/b/a NATIONAL GRID**

Issued by: William L. Malee  
Authorized Representative  
Issued on: June 30, 2014

Effective Date: Upon Commission Approval

**LARGE GENERATOR INTERCONNECTION AGREEMENT**  
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**THIS LARGE GENERATOR INTERCONNECTION AGREEMENT** (“Agreement”) is made and entered into this 30th day of June 2014, by and between Deepwater Block Island Wind, LLC, a company organized and existing under the laws of the State of Delaware (“Interconnection Customer” with a Large Generating Facility), and New England Power Company d/b/a National Grid, a company organized and existing under the laws of the Commonwealth of Massachusetts (“Interconnecting Transmission Owner”). Under this Agreement the Interconnection Customer and Interconnecting Transmission Owner each may be referred to as a “Party” or collectively as the “Parties.”

### **RECITALS**

**WHEREAS**, ISO New England Inc., a non-stock corporation organized and existing under the laws of the State of Delaware (“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 ISO New England Inc. Transmission, Markets and Services Tariff (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**, 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 Section I.2.2 of the Tariff, the definitions provided below shall control only for purposes of generator interconnections under Schedule 22. Capitalized terms in this Agreement or Schedule 22 that are not defined in this Agreement shall have the meanings specified in Section I.2.2 of the Tariff.

**Administered Transmission System** shall mean the PTF, the Non-PTF, 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 Party** 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.

**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.

**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.

**At-Risk Expenditure** shall mean money expended for the development of the Generating Facility that cannot be recouped if the Interconnection Customer were to withdraw the Interconnection Request for the Generating Facility. At-Risk Expenditure may include, but is not limited to, money expended on: (i) costs of federal, state, local, regional and town permits, (ii) Site Control, (iii) site-specific design and surveys, (iv) construction activities, and (v) non-refundable deposits for major equipment components. For purposes of this definition, At-Risk Expenditure shall not include costs associated with the Interconnection Studies.

**Base Case** shall have the meaning specified in Section 2.3 of the Large Generator Interconnection Procedures (“LGIP”).

**Base Case Data** shall mean the Base Case power flow, short circuit, and stability data bases used for the Interconnection Studies by 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.

**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 interconnects or proposes to interconnect its Generating Facility with the Administered Transmission System under the Standard Large Generator Interconnection Procedures.

**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 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; (ii) increase the energy capability or capacity capability of an existing Generating Facility; (iii) make a Material Modification to the design or operating characteristics of an existing Generating Facility, including its Interconnection Facilities, that is interconnected with the Administered Transmission System; or (iv) commence participation in the wholesale markets by an existing Generating Facility that is interconnected with the Administered Transmission System. Interconnection Request 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 Generating Facility will not be used 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 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 capability and/or capacity capability 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, the Interconnection Facilities Study and the Optional Interconnection Study described in the Standard Large Generator Interconnection Procedures. Interconnection Study shall not include a CNR Group Study.

**Interconnection Study Agreement** shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Interconnection System Impact Study Agreement, the Interconnection Facilities Study Agreement, and the Optional Interconnection Study Agreement attached to 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 maximum gross capability at or above zero degrees F of more than 20 MW.

**Long Lead Time Generating Facility (“Long Lead Facility”)** shall mean a Generating Facility with an Interconnection Request for CNR Interconnection Service that has, as applicable, elected or requested long lead time treatment and met the eligibility criteria and requirements specified in Section 3.2.3 of the LGIP.

**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.

**Major Permits** shall be as defined in Section III.13.1.1.2.2(a) of the Tariff.

**Material Modification** shall mean (i) except as expressly provided in Section 4.4.1, those modifications to the Interconnection Request, including any of 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; (ii) a change to the design or operating characteristics of an existing Generating Facility, including its Interconnection Facilities, that is interconnected with the Administered Transmission System that may have a significant adverse effect on

the reliability or operating characteristics of the New England Transmission System; (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; or (iv) except as provided in Section 3.2.3.4 of the LGIP, a withdrawal of a request for Long Lead Facility treatment; or (v) except as provided in Section 3.2.3.6 of the LGIP, an election to participate in an earlier Forward Capacity Auction than originally anticipated.

**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.

**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** shall mean the 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. For purposes of this LGIA, references to a “higher-queued” Interconnection Request shall mean one that has been received by the System Operator (and placed in queue order) earlier than another Interconnection Request, which is referred to as “lower-queued.”

**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; (b) that the Interconnection Customer holds a valid written leasehold interest in the real property for which new interconnection is sought; (c) that the Interconnection Customer holds a valid written option to purchase or leasehold property for which new interconnection is sought; (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 Interconnection Customer and Interconnecting Transmission Owner, 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 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. 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 from the Commercial Operations Date 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 Interconnecting Transmission Owner ninety (90) Calendar Days advance written notice, or by 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 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 LGIA 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 LGIA, 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.

**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 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 Interconnecting Transmission Owner with respect to such filing and to provide any information reasonably requested by the Interconnecting Transmission Owner needed to comply with applicable regulatory requirements.

#### **ARTICLE 4. SCOPE OF SERVICE**

**4.1 Reserved.**

**4.2 Provision of Service.** 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 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 Reserved.**

**4.6 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 specify the In-Service Date, Initial Synchronization Date, and Commercial Operation Date as specified in the Interconnection Request or as subsequently revised pursuant to Section 4.4 of the LGIP; and select 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;

(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 ½ 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 Interconnection Customer and the Interconnecting Transmission Owner shall keep each Party informed, by written quarterly progress reports, as to the progress of their respective design, procurement and construction efforts in order to meet the dates specified in Appendix B (Milestones). Any Party may also, at any other time, request a written 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, 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's 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) 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. The appropriate drawings and relay diagrams shall be included in Appendix A of this LGIA.

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.** 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. A suspension under this Article 5.16 does not automatically permit an extension of the In-Service Date, the Initial Synchronization Date or the Commercial Operation Date. A request for extension of such dates is subject to Section 4.4.5 of the LGIP. Notwithstanding the extensions permitted under Section 4.4.5 of the LGIP, the three-year period shall in no way result in an extension of the In-Service Date, the Initial Synchronization Date or the Commercial Operation Date that exceeds seven (7) years from the date of the Interconnection Request; otherwise, this LGIA shall be deemed terminated.

## **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 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,

(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 and therefore require an Interconnection Request under the LGIP, except as provided under and pursuant to the LGIP.

In the case of Large Generating Facility or Interconnection Customer's Interconnection 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 Large Generating Facility or Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's 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.

**8.4 Provision of Data from an Intermittent Power Resource.** The Interconnection Customer whose Generating Facility is an Intermittent Power Resource shall provide meteorological and forced outage data to the System Operator to the extent necessary for the System Operator's development and deployment of power production forecasts for that class of Intermittent Power Resources. The Interconnection Customer with an Intermittent Power Resource having wind as the energy source, at a minimum, will be required to provide the System Operator with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. The Interconnection Customer with an Intermittent Power Resource having solar as the energy source, at a minimum, will be required to provide the System Operator with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The System Operator and Interconnection Customer whose Generating Facility is an Intermittent Power Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power product forecast. The Interconnection Customer whose Generating Facility is an Intermittent Power Resource also shall submit data to the System Operator regarding all forced outages to the extent necessary for the System Operator's development and deployment of power production forecasts for that class of Intermittent Power Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the System Operator, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Intermittent Power Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological and forced outage data must be commensurate with the power production

forecasting employed by the System Operator. Such requirements for meteorological and forced outage data are set forth in Appendix C, Interconnection Details, of this LGIA, as they may change from time to time.

## **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.
- 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's 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 and all generating units comprising the Large Generating Facility, as applicable, 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 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 Large Generating Facility in accordance with the ISO New England Operating Documents, Applicable Reliability Standards, or successor documents. All Interconnection Customers 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 units comprising the Large Generating Facility 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.

**9.6.3 Payment for Reactive Power.**

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

**9.7 Outages and Interruptions.**

**9.7.1 Outages.**

**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's 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's 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 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 responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's 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's Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer's 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.
- 11.3 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 Section II 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 Sections II and III of the Tariff.

**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, 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) 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's 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, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Large Generating Facility or the Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by the Interconnecting Transmission Owner 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's 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's Interconnection Facilities. Interconnection Customer shall comply with all of 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's 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 this LGIA 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.

**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 Interconnecting Transmission Owner and the liability, indemnification and insurance provisions of the Tariff apply to the relationship 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 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 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 Governmental 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, 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 Interconnecting Transmission Owner.** The initial information submission by Interconnecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date 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 Initial Synchronization Date. 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 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 different from what was originally provided to Interconnecting Transmission Owner pursuant to the Interconnection Study Agreement between Interconnecting Transmission Owner and Interconnection Customer, then the Interconnecting Transmission Owner will review it and conduct appropriate studies, as needed, at the Interconnection Customer's cost, 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 Commercial 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 and "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.

The Interconnection Customer shall provide the Interconnecting Transmission Owner with any information changes due to proposed equipment replacement, repair, or adjustment. Interconnecting Transmission Owner shall provide the Interconnection Customer with any information changes due to proposed 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 in accordance with Article 5.19 of this Agreement.

## **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.**

**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 arbitrators chosen by the Parties shall select a third member who 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 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 of this LGIA, or such Section of the LGIP or such Appendix of 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 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 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 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.

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.

**New England Power Company (Interconnecting Transmission Owner)**

By: William L. Malee

William L. Malee

Title: Director, Transmission Commercial & Authorized Representative

Date: 16 July 2014

**Deepwater Block Island Wind, LLC (Interconnection Customer)**

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

Title:

Date:

**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.

**New England Power Company (Interconnecting Transmission Owner)**

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

William L. Malee

Title: Director, Transmission Commercial & Authorized Representative

Date:

**Deepwater Block Island Wind, LLC (Interconnection Customer)**

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

Title: CEO

Date: 7/16/14

## **APPENDICES TO LGIA**

- Appendix A Interconnection Facilities, Network Upgrades and Distribution Upgrades
- Appendix A-1 One-Line Diagram
- Appendix A-2 General Arrangement Diagram
- 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**

The Interconnection Facilities, Network Upgrades and Distribution Upgrades discussed below will be engineered, designed, constructed, owned, and maintained by a combination of the Interconnecting Transmission Owner, Interconnecting Transmission Owner's Affiliate: The Narragansett Electric Company ("TNECO"), and the Interconnection Customer, as specified below. Any reference to "Affiliate" below is specifically a reference to TNECO. It is acknowledged that the Interconnecting Transmission Owner will be responsible for coordinating with Interconnecting Transmission Owner's Affiliate as necessary to meet its obligations under this Agreement. It is further acknowledged by the Parties that Interconnecting Transmission Owner's Affiliate will own and maintain certain facilities identified under this Agreement, (hereafter, the "Interconnecting Transmission Owner's Affiliate Interconnection Facilities").

#### **1. Interconnection Facilities:**

##### **a. Point of Interconnection and Point of Change of Ownership.**

The Point of Interconnection shall be the "Delivery Point" as defined in the Power Purchase Agreement executed between Interconnecting Transmission Owner's Affiliate and Interconnection Customer on June 30, 2010, as the same may be amended and/or restated from time to time (the "Power Purchase Agreement"), which shall be the point at which the Interconnection Facilities connect to the low voltage side of Interconnecting Transmission Owner's Affiliate's substation, which is to be constructed on Block Island ("Block Island Substation").

The Point of Change of Ownership shall be the point at which the terrestrial cable, which shall be owned by Interconnecting Transmission Owner's Affiliate, shall terminate in Interconnection Customer's transition vault, located at Block Island Town Beach on Block Island, and shall be spliced with Interconnection Customer's submarine cable.

The metering point shall be located at the Point of Interconnection.

The Point of Interconnection, the Point of Change of Ownership and the metering point are shown in Appendix A-1, which drawing is attached hereto and made part hereof. This is a preliminary drawing for the purposes of illustrating the general arrangement of the interconnection. Additional details will be established in the Protection Philosophy to be established by the Parties.

b. **Interconnection Customer's Interconnection Facilities (including metering equipment).**

The Interconnection Customer shall design to Interconnecting Transmission Owner's specifications, construct, own, operate, and maintain a 34.5kV undersea cable system from the wind farm in Block Island Sound to Block Island Town Beach, including the splices to the Interconnecting Transmission Owner's Affiliate's portions of the underground power cable, fiber optic cables, and neutral/ground continuity conductor in the transition vault at the beach, and certain data network, power conditioning, operational control, performance monitoring, metering, telemetering and telecommunications equipment, as needed, located within a separate building in the Block Island substation (the "Interconnection Customer's Control Building"), as shown in the one-line diagram attached as Appendix A-1 and the general arrangement diagram attached as Appendix A-2.

Upon notification to Interconnecting Transmission Owner's Affiliate's control room, Interconnecting Transmission Owner's Affiliate shall allow Interconnection Customer (or an independent Person mutually acceptable to the Parties) access to the Block Island Substation for the purpose of facilitating Interconnection Customer's execution of its rights and obligations as set forth in Section 4.7 of the Power Purchase Agreement, including but not limited to the inspection, testing, calibration and audit of Interconnection Customer's revenue meter. Interconnection Customer shall have the right to install an additional check meter.

The Parties agree that Interconnection Customer's cost responsibility for the Direct Assignment Facilities, described in Section 4(A) of Appendix C to this LGIA, shall satisfy

all of the Interconnection Customer's obligations to engineer, procure, provide, construct install, own, keep, operate or maintain any equipment, systems, rights of use, licenses, rights of way and easements in connection with this agreement, including but not limited to those obligations set forth in Sections 5.13, 5.19, 6.1, 8.2, 9.4, 9.7.4, 9.7.5, 10.2 and Appendix C.3.B of the LGIA. Direct Assignment Facilities shall have the meaning set forth in the Tariff.

c. **Interconnecting Transmission Owner's Interconnection Facilities (including metering equipment).**

The Interconnecting Transmission Owner's Affiliate shall design, construct, own, operate and maintain the following equipment, at Interconnection Customer's expense, which collectively constitute the Interconnecting Transmission Owner's Affiliate Interconnection Facilities, i.e. the Direct Assignment Facilities: (1) a 34.5kV breaker and associated substation equipment as shown in Appendix A-1 and in Appendix A-2, (2) a 34.5kV grounding transformer, (3) an 34.5kV overhead circuit across the property upon which the substation is to be located, and (4) an underground cable system along a public way from the substation property to the Interconnection Customer's transition vault to be located at the Block Island Town Beach.

The Direct Assignment Facilities constitute all of Interconnecting Transmission Owner's Affiliate Interconnection Facilities.

The Interconnecting Transmission Owner will not design, construct, own, operate and maintain any equipment.

2. **Network Upgrades:**

- a. **Stand Alone Network Upgrades.** None.
  
- b. **Other Network Upgrades.** None.

3. **Distribution Upgrades.** None

4. **Affected System Upgrades.** None.

5. **Contingency Upgrades List:**

a. **Long Lead Facility-Related Upgrades.** Not Applicable.

The Interconnection Customer's Large Generating Facility is associated with a Long Lead Facility, in accordance with Section 3.2.3 of the LGIP. Pursuant to Section 4.1 of the LGIP, the Interconnection Customer shall be responsible for the following upgrades in the event that the Long Lead Facility achieves Commercial Operation and obtains a Capacity Supply Obligation in accordance with Section III.13.1 of the Tariff:

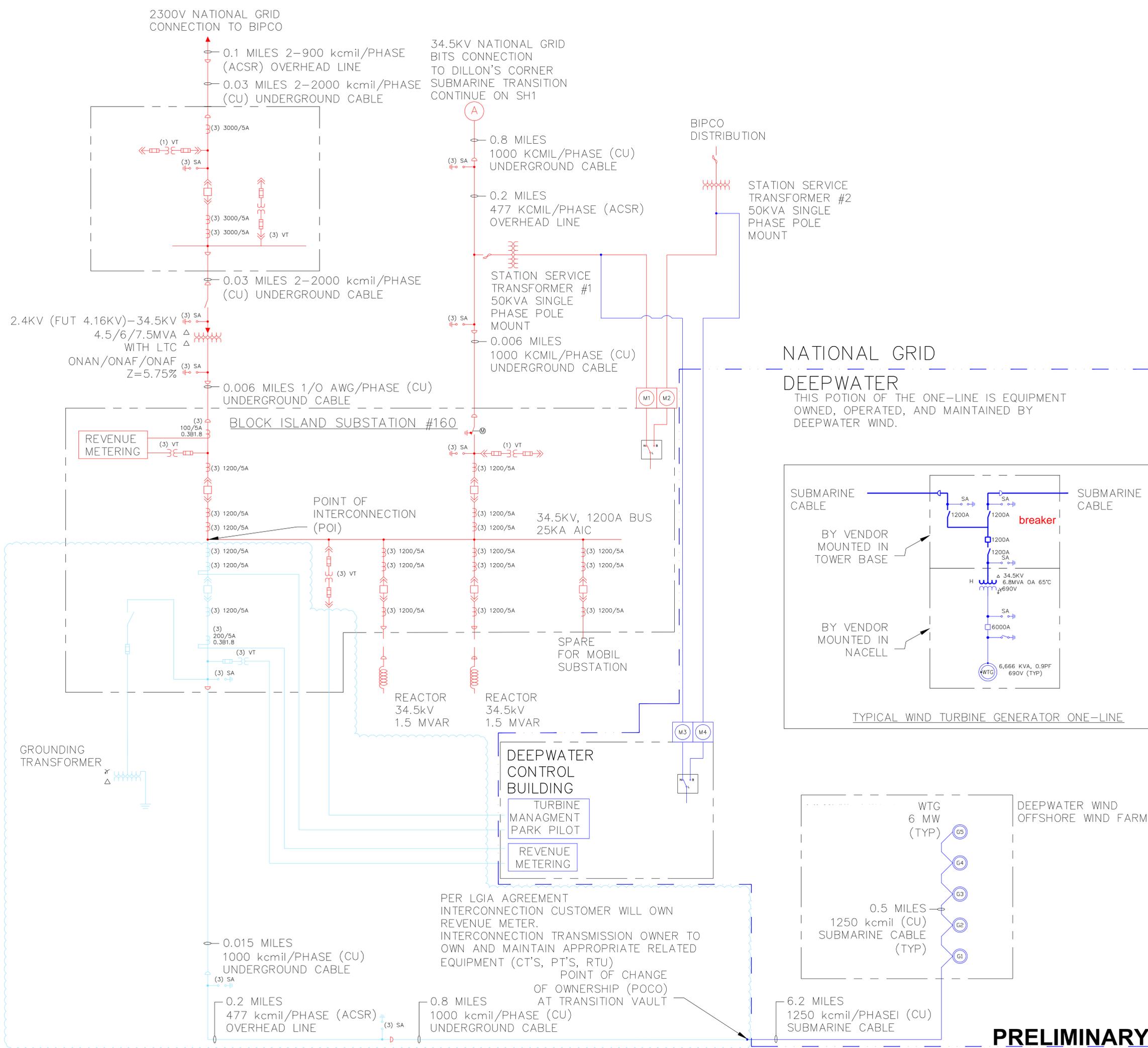
None

If the Interconnection Customer fails to cause these upgrades to be in-service prior to the commencement of the Long Lead Facility's Capacity Commitment Period, the Interconnection Customer shall be deemed to be in Breach of this LGIA in accordance with Article 17.1, and the System Operator will initiate all necessary steps to terminate this LGIA, in accordance with Article 2.3.

b. **Other Contingency Upgrades.** None.

6. **Post-Forward Capacity Auction Re-study Upgrade Obligations.** To be determined

**APPENDIX A-1 TO LGIA: ONE-LINE DIAGRAM**



**NOTES**

1. "DIRECT ASSIGNMENT FACILITIES" DESCRIBES THE EQUIPMENT THAT IS GOING TO BE INSTALLED, OPERATED, AND MAINTAINED BY NATIONAL GRID BY CONTRACT FOR THE BLOCK ISLAND WIND FARM.

**Legend**

- TRANSFORMER
  - Δ = DELTA CONNECTION
  - Y = WYE CONNECTION
  - Y-Δ = WYE GROUNDED CONNECTION
- CIRCUIT SWITCHER
  - 89L1B = DEVICE NAME
  - 1200A = RATING
- VOLTAGE TRANSFORMER (VT)
  - (3) = QUANTITY
  - 14.4KV-120V = RATIO
- CURRENT TRANSFORMER (CT)
  - (3) = QUANTITY
  - 400/5A = RATIO
  - C400 MR = CLASS, MULTI RATIO
- MEDIUM VOLTAGE, DRAWOUT TYPE, METAL CLAD AIR CIRCUIT BREAKER
  - F1 = BREAKER NAME
  - 1200A = TRIP RATING
- MEDIUM VOLTAGE DRAWOUT TYPE DEVICE
- EMPTY SPACE IN MEDIUM VOLTAGE, METAL CLAD SWITCHGEAR OR MCC
- IRON CORE SHUNT REACTOR FOR REACTIVE COMPENSATION
- SWITCH AND FUSE
  - 400A = AMPERE SWITCH SIZE
  - 300A = AMPERE FUSE SIZE
- DISCONNECT SWITCH
- SURGE ARRESTOR (SA)
- SYSTEM OR EQUIPMENT GROUND
- FUSE
- MOTOR OPERATOR
- METER
  - V = VOLT
  - A = AMPERE
- KIRK KEY (FOR INTERLOCK)
- CABLE TERMINATION
- WIND GENERATOR
  - G1 = GENERATOR NUMBER 1
- FUSED DISCONNECT
- BLOCK ISLAND TRANSMISSION SYSTEM (BITS) NATIONAL GRID OWNED FACILITIES
- BLOCK ISLAND WIND FARM (BIWF) OWNED FACILITIES
- BLOCK ISLAND WIND FARM (BIWF)-DIRECT ASSIGNMENT FACILITIES

Reference Drawings

Rev	Date	Drawn	Description	CHK'd	App'd
F	10/30/2013	JM	REVISED PER COMMENTS	CD	
E	09/20/2013	JM	REVISED PER COMMENTS	CD	
D	09/16/2013	CD	REVISED PER COMMENTS	CD	
C	08/20/2013	CD	REVISED PER COMMENTS	CD	
B	08/13/2013	CD	REVISED REVENUE METER	CD	



**Client**

DEEPWATER WIND

**Title**

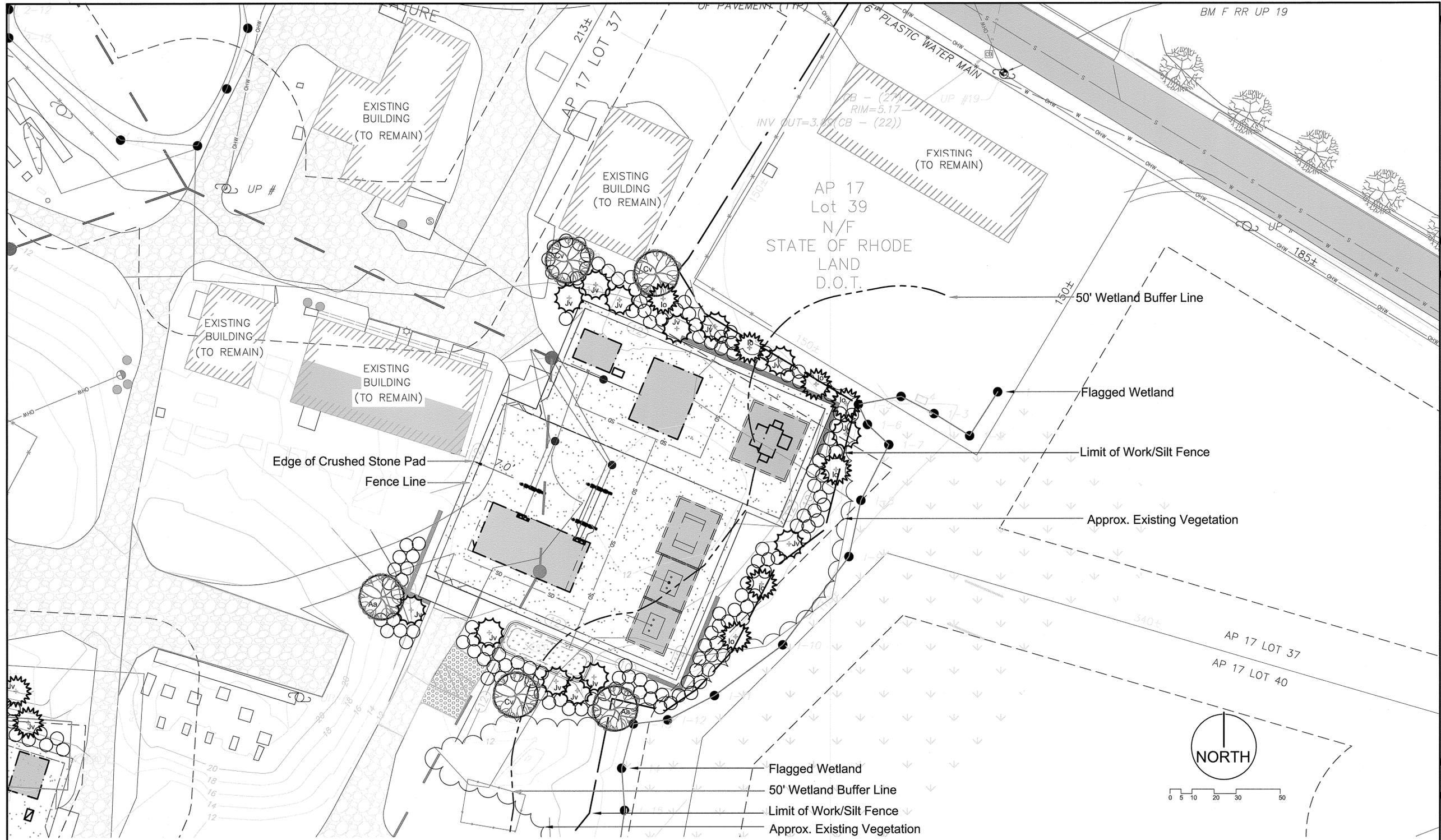
DEEPWATER BLOCK ISLAND 30MW RHODE ISLAND WIND FARM 34.5 kV BLOCK ISLAND DILLON'S CORNER WAKEFIELD INTERCONNECTION ONE LINE

Rev	Date	Drawn	Description	CHK'd	App'd
DESIGNED	CD	ENG CHECK	CD		
NOT FOR CONSTRUCTION	CD	APPROVED	BK		
REPLACE WITH ENGINEERS STAMP AT CONSTRUCTION AND/OR FABRICATION	CD	PROJECT MGR	CMD		
ISSUE IF REQUIRED BY PROJECT ADMINISTRATION MANUAL	NTS	DATE	REV		
		08/7/2013	F		

**PRELIMINARY**

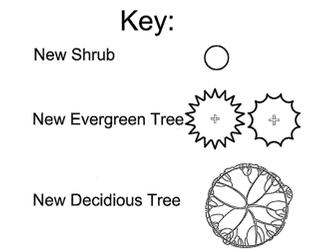
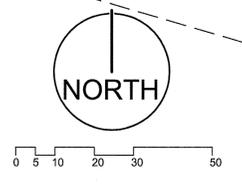
This document is issued for the party which commissioned it and for specific purposes connected with the captioned project only. It should not be relied upon by any other party or used for any other purpose. We accept no responsibility for the consequences of this document being relied upon by any other party, or being used for any other purpose, or containing any error or omission which is due to an error or omission in data supplied to us by other parties.

**APPENDIX A-2 TO LGIA: GENERAL ARRANGEMENT DIAGRAM**



**PLANT SCHEDULE: SCREEN PLANTING ALT. "A"**

KEY	BOTANICAL NAME	COMMON NAME	QUANTITY
<b>EVERGREEN TREES</b>			
IO	ILEX OPACA 'JERSEY GIRL'	JERSEY GIRL AMERICAN HOLLY	7
JV	JUNIPERUS VIRGINIANA	EASTERN RED CEDAR	13
		<b>TOTAL:</b>	<b>20</b>
<b>DECIDUOUS TREES</b>			
AA	AMELANCHIER ARBOREA	DOWNY SERVICEBERRY	2
CV	CRATAEGUS VIRIDIS 'WINTER KING'	WINTER KING HAWTHORN	3
		<b>TOTAL:</b>	<b>5</b>
<b>DECIDUOUS SHRUBS</b>			
	ARONIA MELANOCARPA	BLACK CHOKEBERRY	30
	ILEX VERTICILLATA	WINTERBERRY	25
	MORELLA (MYRICA) PENNSYLVANICA	NORTHERN BAYBERRY	25
	VACCINIUM CORYMBOSUM	HIGH BUSH BLUEBERRY	25
	VIBURNUM DENTATUM	ARROWOOD VIBURNUM	30
		<b>TOTAL:</b>	<b>135</b>



**Note:** Plant material to be placed in the field by a V.L.A, LTD. representative.

**Van Lent Associates**  
Landscape Architects and Planners  
VAN LENT ASSOCIATES, LIMITED  
P.O. Box 1208 / 292 Spring Street, Block Island, Rhode Island 02807  
Tel. 401-466-2081 Fax. 401-466-9984

Note: This regulatory submission shall not be used for construction purposes unless stamped "For Construction" and signed by a VLA representative.  
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Copyright 2.1.2012

Revision	Date	Description
1	01.03.2012	Plant Material
2	01.09.2012	Plant Material
3	01.20.2012	Plant Material
4	02.27.2012	Format, Digitize and Revise Plants

**Deepwater Wind**  
Block Island Power Substation  
AP 17 Lots 35, 36, 37, 38 & 40  
New Shoreham, Rhode Island  
**Screen Planting Plans Alt. A**  
Date: 11.21.2011  
Scale: 1"= 20'-0"

## APPENDIX B TO LGIA

### Milestones

1. **Selected Option Pursuant to Article 5.1:** Interconnection Customer selects the 5.1.1 Standard Option. Options described in Articles 5.1.2, 5.1.3 and 5.1.4 shall not apply to this LGIA.
  
2. **Milestones and Other Requirements for all Large Generating Facilities:** The description and entries listed in the following table establish the required Milestones in accordance with the provisions of the LGIP and this LGIA. The referenced section of the LGIP or article of the LGIA should be reviewed by each Party to understand the requirements of each milestone.

Item No.	Milestone Description	Responsible Party	Date	LGIP/LGIA Reference
1	Provide evidence of continued Site Control to System Operator, or \$250,000 non-refundable deposit to Interconnecting Transmission Owner	Interconnection Customer	Completed	§ 11.3.1.1 of LGIP
2	Provide evidence of one or more milestones specified in § 11.3 of LGIP	Interconnection Customer	Complete, Purchase Power Agreement executed on June 30, 2010	§ 11.3.1.2 of LGIP
3	Commit to a schedule for payment of upgrades	Interconnection Customer	Completed upon execution of the LGIA. See Milestone 8.	§ 11.3.1.2 of LGIP
4	Provide either (1) evidence of Major Permits or (2) refundable deposit to	Interconnection Customer	Completed	§ 11.3.1.2 of LGIP

	Interconnecting Transmission Owner			
5	Provide certificate of insurance	Interconnection Customer and Interconnecting Transmission Owner	Within ten (10) days following execution of this LGIA	§ 18.3.9 of LGIA
6	Provide siting approval for Generating Facility and Interconnection Facilities to Interconnecting Transmission Owner	Interconnection Customer	By September 1, 2014	§ 7.5 of LGIP
7A	Receive Governmental Authority approval for any facilities requiring regulatory approval	Interconnection Customer	By September 1, 2014	§ 5.6.1 of LGIA
7B	Obtain necessary real property rights and rights-of-way for the construction of the Interconnecting Transmission Owner's Affiliate Interconnection Facilities	Interconnecting Transmission Owner	By September 1, 2014	§ 5.6.2 of LGIA
7C	Provide to Interconnecting Transmission Owner written authorization to proceed with:	Interconnection Customer		§ 5.5.2 and § 5.6.3 of LGIA

7C.1	pre-design		Upon execution of this Agreement*	
7C.2	design,		By September 1, 2014*.	
7C.3	equipment procurement		By December 1, 2014*.	
7.C.4	and construction		By March 1, 2015*.	
7D	Provide quarterly written progress reports	Interconnection Customer and Interconnecting Transmission Owner	15 Calendar Days after the end of each quarter beginning the quarter that includes the date for Milestone 7C and ending upon completion of the Large Generating Facility and Interconnection Facilities	§ 5.7 of LGIA
8	Provision of Security to Interconnecting Transmission Owner pursuant to Section 11.5 of LGIA	Interconnection Customer	pre design pre-payment due by September 1, 2014. Remaining Pre-payments due with written authorizations from Milestone 7C	§§ 5.5.3 and 5.6.4 of LGIA
9	Provision of Security Associated with Tax Liability to Interconnecting	Interconnection Customer	Within 30 days after final invoice (Milestone 22)	§ 5.17.3 of LGIA

	Transmission Owner pursuant to Section 5.17.3 of LGIA			
10	Commit to the ordering of long lead time material for Interconnection Facilities	Interconnection Customer	N/A	§ 7.5 of LGIP
11A	Provide initial design, engineering and specification for Interconnection Customer's Interconnection Facilities to Interconnecting Transmission Owner	Interconnection Customer	By September 1, 2014	§ 5.10.1 of LGIA § 7.5 of LGIP
11B	Provide comments on initial design, engineering and specification for Interconnection Customer's Interconnection Facilities	Interconnecting Transmission Owner	Within 30 Calendar Days of receipt	§ 5.10.1 of LGIA § 7.5 of LGIP
12A	Provide final design, engineering and specification for Interconnection Customer's Interconnection Facilities to Interconnecting Transmission Owner	Interconnection Customer	By December 1, 2014	§ 5.10.1 of LGIA § 7.5 of LGIP
12B	Provide comments on final design, engineering	Interconnecting Transmission	Within 30 Calendar Days of receipt	§ 5.10.1 of LGIA

	and specification for Interconnection Customer's Interconnection Facilities	Owner		§ 7.5 of LGIP
13	Deliver to Transmission Owner "as built" drawings, information and documents regarding Interconnection Customer's Interconnection Facilities	Interconnection Customer	Within 120 Calendar Days of Commercial Operation date	§ 5.10.3 of LGIA
14	Provide protective relay settings to Interconnecting Transmission Owner for coordination and verification	Interconnection Customer	By March 1, 2015	§§ 5.10.1 of LGIA
15	Commencement of construction of Interconnection Facilities	Interconnecting Transmission Owner	30 days after receipt of written authorization to proceed by Interconnection Customer	§ 5.6 of LGIA
16	Submit updated data "as purchased"	Interconnection Customer	No later than 180 Calendar Days prior to Initial Synchronization Date	§ 24.3 of LGIA
17	In Service Date	Interconnection Customer	By June 1, 2016	§ 3.3.1 and 4.4.5 of LGIP, § 5.1 of LGIA
18	Initial Synchronization Date	Interconnection Customer	By November 1, 2016	§ 3.3.1, 4.4.4, 4.4.5, and 7.5

				of LGIP
19	Submit supplemental and/or updated data – “as built/as-tested”	Interconnection Customer	Prior to Commercial Operation Date	§ 24.4 of LGIA
20	Commercial Operation Date	Interconnection Customer	By December 31, 2016	§ 3.3.1, 4.4.4, 4.4.5, and 7.5 of LGIP
21	Deliver to Interconnection Customer “as built” drawings, information and documents regarding Interconnecting Transmission Owner’s Interconnection Facilities	Interconnecting Transmission Owner	Within 120 days of Commercial Operation Date	§ 5.11 of LGIA
22	Provide Interconnection Customer final cost invoices	Interconnecting Transmission Owner	Within 6 months of completion of construction of Interconnecting Transmission Owner Affiliate Interconnection Facilities	§ 12.2 of LGIA

\* See Appendix C, Table 3 – Summary of Prepayments

**3. Milestones Applicable Solely for Long Lead Facility Treatment.** In addition to the Milestones above, the following Milestones apply to Interconnection Customers requesting Long Lead Facility Treatment: None.

## APPENDIX C TO LGIA

### Interconnection Details

#### 1. Description of Interconnection:

Interconnection Customer shall install a 30 MW Large Generating Facility, rated at 30 MW gross and 29 MW net, with all studies performed at or below these outputs, and will be located in Block Island Sound, Rhode Island. The Generating Facility is comprised of five (5) fully-inverted wind turbine generators connected in series and rated at 6.0 MW each. The Parties agree that the inverter controls in each wind turbine generator shall satisfy the Generator Governor requirement set forth in Section 9.6.2.2 of this LGIA.

The Large Generating Facility shall receive:

Interconnection Service at a level not to exceed 30 MW gross and 29 MW net for Summer and 30 MW gross and 29 MW net for Winter.

#### 2. Detailed Description of Generating Facility and Generator Step-Up Transformer, if applicable:

Generator Data	
Number of Generators	5
Manufacturer	Alstom or comparable
Model	SWT 6.0-154 or comparable
Designation of Generator(s)	Haliade -150
Excitation System Manufacturer	Alstom Inverter Technology
Excitation System Model	Alstom Inverter Technology
Voltage Regulator Manufacturer	Alstom Inverter Technology
Voltage Regulator Model	Alstom Inverter Technology

<b>Generator Ratings</b>	
Greatest Unit Gross and Net MW Output at Ambient Temperature at or above 90 Degrees F	6.0/5.9
Greatest Unit Gross and Net MW Output at Ambient Temperature at or above 50 Degrees F	6.0/5.9
Greatest Unit Gross and Net MW Output at Ambient Temperature at or above 20 Degrees F	6.0/5.9
Greatest Unit Gross and Net MW Output at Ambient Temperature at or above zero Degrees F	6.0/5.9
Station Service Load For Each Unit	__1_ MW + j__075__ MVAR
Overexcited Reactive Power at Rated MVA and Rated Power Factor	The PF range: <ul style="list-style-type: none"> <li>• PF = ±0.87 (at 0.9kV)</li> <li>• PF = ±0.90 (at 34.5kV)</li> </ul>
Underexcited Reactive Power at Rated MVA and Rated Power Factor	The PF range: <ul style="list-style-type: none"> <li>• PF = ±0.87 (at 0.9kV)</li> <li>•</li> <li>• PF = ±0.90 (at 34.5kV)</li> </ul>
<b>Generator Short Circuit and Stability Data</b>	
Generator MVA rating	6.5MVA– inverter technology
Generator AC Resistance	Inverter Technology 0.724 (0 ...20ms) 99999 (LVRT ... ∞)  *See Note Below
Subtransient Reactance (saturated)	Programmed – inverter technology
Subtransient Reactance (unsaturated)	Programmed – inverter technology
Transient Reactance (saturated)	Programmed – inverter technology
Negative sequence reactance	Programmed – inverter technology
<b>Generator Step-up Transformer Data</b>	
Number of units	5
Self Cooled Rating	6.5MVA
Maximum Rating	6.5MVA

Winding Connection (LV/HV)	0.9kV/34.5kV
Fixed Taps	±2 x 2.5%
Z1 primary to secondary at self cooled rating $Z_{base} = (34.5kV)^2 / 6.5MVA$	0.002949 + j·0.020621 • $U_k(\%)=6.2$ • $P_{cu}(kW)=57$
Positive Sequence X/R ratio primary to secondary $Z_{base} = (34.5kV)^2 / 6.5MVA$	0.002949 + j·0.020621 • $U_k(\%)=6.2$ • $P_{cu}(kW)=57$
Z0 primary to secondary at self cooled rating $Z_{base} = (34.5kV)^2 / 6.5MVA$	0.002949 + j·0.020621 • $U_k(\%)=6.2$ • $P_{cu}(kW)=57$
<b>Project Grounding Transformer Data</b>	
Number of units	1
Self Cooled Rating	n.a.
Maximum Rating	1.5 MVA @ 10 sec
Winding Connection (LV/LV/HV)	
Fixed Taps	none
Z1 primary to secondary at self cooled rating	Consistent with Section 3.E below
Positive Sequence X/R ratio primary to secondary	Consistent with Section 3.E below
Z0 primary to secondary at self cooled rating	Consistent with Section 3.E below

\*Note: These are typical characteristic data for synchronous machines. Converter based wind turbines depend heavily in the converter control for the maximum currents and stability analysis.

An equivalence (to obtain the synchronous machine parameters) has been performed with the maximum short circuit currents from the converters in 100% voltage dip considering that the short circuit has 3 steps: a subtransient from the dip until 20ms, a transient between 20 ms until the LVRT (approx. 150ms) and the steady-state value from the LVRT to the end of simulation.

### **3. Meteorological and Forced Outage Data Requirements for a Generating Facility that is an Intermittent Power Resource:**

An Interconnection Customer whose Generating Facility is an Intermittent Power Resource having wind as the energy resource (referred to here in as “Wind Plant”) will be required to provide the following meteorological and forced outage data to the System Operator in the manner specified in the ISO New

England Operating Documents. Capitalized terms in this Appendix C.3 that are not defined in Section 1 of the Agreement shall have the meanings specified in the ISO New England Operating Documents.

#### **A. Static Plant Data**

Below are the static plant data requirements that describe the physical layout of the Wind Plant and any associated meteorological equipment as well as data relevant to the design and operation of the Wind Plant. The static plant data must be supplied to the System Operator in the manner specified in the ISO New England Operating Documents. The Interconnection Customer must keep the static plant data current and must inform the System Operator of any proposed datapoints changes.

1) Wind Plant:

- a) Wind Turbine tower center coordinates (i.e., latitude and longitude in WGS84 DD-MM-SS.SS using GPS WAAS, or comparable, methodology) and ground elevation of turbines ( in meters, to one decimal place).
- b) Number of turbines.
- c) Turbine model(s) including IEC wind class.
- d) Density dependent turbine nominal power curves for each type of turbine in the plant for standard test conditions (e.g., air density equaling  $1.225 \text{ kg/m}^3$ ) and for three additional values of density (for which the density values must be supplied): one power curve for normal operation at the long-term average density expected for the plant and one power curve each for normal operation at approximately 85% (+/- 10%) and approximately 115% (+/-10%), respectively of the expected long-term average Wind Plant air density.
- e) Hub height(s) (in meters to one decimal place).
- f) Maximum plant nameplate capacity (in MW to two decimal places).
- g) Cut-in wind speed(s) and time constants (if any, e.g., windspeed must be above 3.4 m/s for at least 5 minutes, etc.).
- h) Cut-out wind speed(s) and time constants (if any).
- i) Cut back in wind speed(s) and time constants (if any).
- j) Cold temperature cutoff threshold(s) (in Degrees C to one decimal place).
- k) High temperature cutoff threshold(s) (in Degrees C to one decimal place).
- l) Any cold weather operation packages and their effects on wind turbine operational envelope (e.g. blade and/or gearbox heaters, etc. that extends cold temperature cut-out to below xx degrees, etc.).
- m) Wind turbine icing behavior:

- i. Triggers for icing related shutdowns (e.g., temperatures, relative humidities, out-of-balance conditions, etc.).
- ii. Triggers for release from icing related shutdowns (e.g., manual reset, temperatures, hysteresis, etc.).
- n) For all plant wind speed and direction measuring devices (i.e., nacelle-level wind measuring devices):
  - i. Equipment type (i.e., model specifications and operating principle e.g. make and model type, measurement heights) and calibration curves and/or reports.
  - ii. Dimensions and/or site plan of any nearby potential obstructions that would substantially reduce the quality of the data and the mitigation measures employed (e.g., diagram of location with respect to the nacelle and rotor).
- o) Descriptions of any permitting or administrative restrictions such as requirements to reduce or to cease power production during certain hours or during certain events or wind conditions.
- p) For model training purposes, any available historical information required by the wind power forecaster regarding plant power output, plant meteorological conditions, and conditions that may have caused power output to be below theoretical maximum power output given the experienced wind speeds may also be required to be provided.

2) Met gathering station(s):

- a. Center of structure(s) coordinates (using the same method listed above for turbine in the Wind Plant) and ground elevation of met station(s).
- b. Equipment type (i.e., model specifications and operating principle e.g. make and model type, measurement heights).
- c. Dimensions and/or site plan of any nearby potential obstructions that would substantially reduce the quality of the data (e.g., met-tower dimensions and profile) and the mitigation measures employed (e.g. mounting arm dimensions and orientations).

**B. Real-Time Data**

Below is the real-time operational and meteorological data requirements for Wind Plant operators that must be provided to the System Operator. The real-time operational and meteorological data must be electronically and automatically transmitted to the System Operator over a secure network using the protocol specified in the ISO New England Operating Documents. This information is required with a high degree of accuracy and reliability.

1) Availability:

The Wind Plant operator's real-time data transfer process and data gathering equipment shall be designated to operate at all times.

2) Required Data:

a) At a minimum, nacelle-level wind speed and wind direction measurements must be provided from the highest wind turbine (i.e., wind turbine hub elevation in terms of elevation above mean sea level) and a minimum of one wind turbine at the maximal value of each of the four true cardinal directions (i.e., the farthest true North, South, East, and West) in each Wind Turbine Group within the plant. Additionally, the wind turbine nearest the capacity-weighted centroid of the Wind Plant must also report wind speeds and directions. If any wind turbine within a Wind Turbine Group satisfies more than one of these conditions then it may be used to fulfill all conditions that it satisfies (e.g., if the highest wind turbine in a Wind Turbine Group is also the farthest North and the farthest East, it may be used to supply data for all three of these categories). Where more than one turbine satisfies these conditions, preference should be given to those turbines that will be least affected by Wind Plant wake effect from the prevailing wind direction(s). Finally, where a Wind Turbine Group contains 10 or less wind turbines only the nacelle-level data from the highest wind turbine nacelle is required. The locations of wind turbines with nacelle-level equipment providing data must be referenced to the Static Plant Data supplied locations.

b) Ambient temperature, air pressure and relative humidity must be measured, at a minimum, at one location within the plant (preferably as near to the capacity-weighted centroid of the Wind Plant as possible) whose height above ground may be in the range of 2 m to 10 m (or up to 30 m above mean sea level for offshore Wind Plants) and the measurement height above ground (or mean sea level for offshore Wind Plants) must be stated to within 10 cm.

3) Frequency

Minimum frequencies of the real-time data Wind Plant operators must provide are specified in the ISO New England Operating Documents.

**C. Outage Coordination**

Wind Plants shall submit daily outages in advance to perform routine maintenance work, which in many cases may have no effect on their overall MW capability. Therefore:

1) All Wind Plants must submit Wind Plant Future Availability to the System Operator.

2) If the Wind Plant does not have a Capacity Supply Obligation in accordance with Market Rule 1, Section III of the Tariff, and is not a Qualified Generator Reactive Resource, only Wind Plant Future Availability must be reported to the System Operator.

3) Any Wind Plant that does have a Capacity Supply Obligation in accordance with Market Rule 1, Section III of the Tariff, or that is a Qualified Generator Reactive Resource, must report Wind Plant Future Availability, and also submit an outage request to the System Operator only when the outage will derate the plant to the point that the available nameplate is less than its Capacity Supply Obligation and/or Qualified VARs.

**4. Other Description of Interconnection Plan and Facilities:**

**A. Studies**

1. Interconnection Feasibility Study: N/A.
2. Interconnection System Impact Study: Completed: Q405 System Impact Study – March 2014;; On April 16, 2014, the Proposed Plan Application received Reliability Committee recommendation for approval by the System Operator.
3. Interconnection Facilities Study: Waived
4. Optional Interconnection Study: None
5. Supplemental System Impact Study: None

**B. Interconnection Customer's Interconnection Facilities.**

The Interconnection Customer will own the Interconnection Customer's Interconnection Facilities described in Appendix A.1.b to this Agreement.

The Interconnection Customer will engineer, procure, install, own and maintain the telemetering (RTU) equipment and the telecommunication circuits that are installed at the Block Island Substation and which are necessary to interface and communicate with the System Operator Communications Front End (CFE) network and the Interconnecting Transmission Owner's Local Control Center. Once the RTU has been configured by the Interconnection Customer, the Interconnecting Transmission Owner will check the reporting of the Interconnection Customer RTU to ensure that it is sending the appropriate

signals to the Local Control Center. ISO-NE will check the RTU telemetry and control signals as required according to the ISO-NE CFE Interface specifications.

Interconnecting Transmission Owner and Interconnecting Transmission Owner's Affiliate agree to work with the Interconnection Customer and landowner to obtain adequate physical space and the necessary rights of use, rights of way and easements within the Block Island Substation for Interconnection Customer to safely and conveniently install, operate and maintain such data network, power conditioning, operational control, performance monitoring, metering, telemetering and telecommunications equipment as are agreed by the Interconnection Customer and Interconnecting Transmission Owner for the safe and reliable operations of the Generating Facility, which equipment shall be located within the Interconnection Customer's Control Building, as identified in Appendix A-2. Interconnecting Transmission Owner's Affiliate shall be responsible for all site preparation and civil works for such space as part of the Direct Assignment Facilities, but shall have no responsibility for the construction of Interconnection Customer's Control Building or the equipment therein.

Properly accredited representatives of the Interconnecting Transmission Owner shall at all reasonable times have access to the Interconnection Customer's Interconnection Facilities at the transition structure to make reasonable inspections and obtain information required in connection with this Agreement.

Upon notice to the Interconnection Transmission Owner Affiliate's control room, properly accredited representatives of the Interconnection Customer shall at all reasonable times have access to the Interconnection Facilities to make reasonable inspections and obtain information required in connection with this Agreement.

**C. Interconnecting Transmission Owner's Interconnection Facilities**

The Interconnecting Transmission Owner will own, operate and maintain the Interconnecting Transmission Owner's Interconnection Facilities described in Appendix A.1.c to this Agreement at the Interconnection Customer's expense.

Interconnecting Transmission Owner's Affiliate will own, operate and maintain the Interconnecting Transmission Owner's Affiliate's Interconnection Facilities described in Appendix A.1.c to this Agreement, at the Interconnection Customer's expense.

**D. Testing**

Testing of the Interconnection Facilities shall be performed by Interconnection Customer. Prior to conducting the tests, Interconnection Customer shall submit the proposed testing protocols to the Interconnecting Transmission Owner's Affiliate. The Interconnecting Transmission Owner's Affiliate shall have the right to review and comment on such proposed testing protocols (the "Test Protocols"). Within ten (10) days after receipt of the Test Protocols from Interconnection Customer, Interconnecting Transmission Owner's Affiliate shall either (i) accept the Test Protocols or (B) reject the Test Protocols by providing written notice stating the reasons for the rejection and specifying the changes necessary to make the Test Protocols acceptable to Interconnecting Transmission Owner's Affiliate. If Interconnecting Transmission Owner's Affiliate fails to accept or reject the Test Protocols within ten (10) days, then Interconnecting Transmission Owner's Affiliate shall be deemed to have accepted the Test Protocols as originally submitted by Interconnection Customer.

At least five (5) days prior to conducting the tests, Interconnection Customer shall notify Interconnecting Transmission Owner's Affiliate, and Interconnecting Transmission Owner's Affiliate prior to shall have the right to witness the tests.

Following the tests, Interconnection Customer shall notify Interconnecting Transmission Owner's Affiliate of the results of the tests (the "Test Results"). Within ten (10) days after receipt of the Test Results from Interconnection Customer, Interconnecting Transmission Owner's Affiliate shall either (i) accept the Test Results or (B) object to the Test Results by providing written notice stating the reasons for the rejection and specifying its objections and the changes necessary to make the Test Results acceptable to Interconnecting Transmission Owner's Affiliate. If Interconnecting Transmission Owner's Affiliate fails to accept or reject the Test Results within ten (10) days, then

Interconnecting Transmission Owner's Affiliate shall be deemed to have accepted the Test Results.

**E. Protection Philosophy**

Interconnection Transmission Owner and Interconnection Customer shall jointly establish a Protection Philosophy in compliance with Sections 9.6.2.3, 9.7.3, 9.7.4.1, 9.7.4.5 and 9.7.5 of this LGIA which shall be the design basis for the final engineering of the Interconnection Facilities. National Grid Connection Specifications ESB-756 shall be the prevailing guideline for interconnection and protection design development.

**4. Special Conditions**

**A. Cost Responsibility**

1. General

Pursuant to the terms of the Agreement, the Interconnection Customer shall be solely responsible for all reasonable costs incurred by the Interconnecting Transmission Owner and its Affiliate as a result of the Direct Assignment Facilities and/or services provided under this Agreement in excess of the estimated costs and charges provided in this Appendix C to this Agreement that are not otherwise recovered under the Tariff.

Such costs are intended to be recovered by, but would not be limited to, the charges specified below.

Interconnection Facilities

The Interconnection Customer shall be responsible for direct assignment facilities charges calculated in accordance with the formulae set forth in Schedule 21 – NEP, Attachment DAF of the OATT as may be in effect from time to time (“DAF Charge”). A copy of the presently effective transmission DAF Charge is provided in

Appendix C, Exhibit 1 for illustrative purposes. Estimated Annual DAF Charges are provided in Appendix C, Table 1.

### Metering and Related Equipment

The Interconnection Customer will own the revenue meter. The Interconnecting Transmission Owner's Affiliate will own and maintain the appropriate metering transformers, associated test switches, and a remote terminal unit ("RTU") and related equipment. Metering equipment must conform to Tariff and Operating Procedures in effect and amended from time to time, and will be subject to the requirements of the Interconnecting Transmission Owner. The Interconnecting Transmission Owner shall be present during commissioning of the revenue meter and shall have the right to witness any testing of said meter. The Interconnection Customer grants permission to Interconnecting Transmission Owner's personnel from various departments including engineering, distribution planning, transmission planning and T&D, to access any and all Interconnection Customer RTU data which is telemetered to Interconnecting Transmission Owner's control room. Interconnecting Transmission Owner agrees not to share this data with its sales and marketing personnel pursuant to applicable FERC rules and regulations. Additionally, the Interconnecting Transmission Owner agrees not to share this data with anyone other than those listed above without the prior written consent of an officer of the Interconnection Customer.

If, at any time, any metering equipment is found to be inaccurate by the requirements set forth in ISO New England Operating Procedure No. 18 - Metering and Telemetering Criteria, Interconnecting Transmission Owner shall cause such metering equipment to be made accurate or replaced, and meter readings for the period of inaccuracy shall be adjusted so far as the same can be reasonably ascertained, but no adjustment prior to the beginning of the preceding month shall be made except by agreement of the Interconnection Customer and Interconnecting Transmission Owner.

The Interconnecting Transmission Owner and Interconnection Customer shall comply with any reasonable request of the other concerning the sealing of the meters,

the presence of a representative of the other party when the seals are broken and the tests are made, and other matters affecting the accuracy of the measurement of electricity delivered from the Generating Facility. If either Interconnecting Transmission Owner or Interconnection Customer believes that there has been a meter failure or stoppage, it shall immediately notify the other.

**B. Termination Charge**

In addition to the payment obligations specified in Article 2 of this Agreement for termination by the Interconnection Customer prior to the expiration of the term of this Agreement, the Interconnection Customer agrees that it will be responsible for the DAF Charges for the original term of this Agreement as determined in accordance with the formula set forth in Schedule 21 – NEP, Attachment DAF of the OATT or as contained in an alternative cost recovery mechanism that the FERC may have approved at the time of the termination.

The Interconnection Customer reserves its right to initiate or participate in a proceeding before the FERC to contest the reasonableness of the above charges.

**C. Station Service**

Interconnection Customer shall be responsible for properly arranging its Station Service electric requirements, including, auxiliary service or backup service.

**D. Regulatory Compliance**

The Parties agrees to provide each other with notices and copies of all filings, including any applicable FERC filings pertaining to the Interconnection Facilities and/or this Agreement.

**E. Radial Service**

Interconnection Customer understands that the source to the 34.5kV Block Island substation is a radial feed from the Interconnecting Transmission Owner's Affiliate Wakefield Substation and that there will be an interruption to interconnection service

whenever the feeder breaker at Wakefield or the Block Island Transmission System is unavailable. Interconnecting Transmission Owner or its Affiliate will notify Interconnection Customer of any planned interruption in service prior to such interruption and of any unplanned interruption as soon as reasonably practicable.

**F. Losses**

The metering equipment shall be compensated internally in order to record the delivery of electricity in a manner that accounts for any energy losses occurring between the Metering Point and the Point of Interconnection both when the Large Generating Facility is delivering energy to the Point of Interconnection and when Station Service power is delivered to the Point of Interconnection for the benefit of the Interconnection Customer, consistent with ISO New England Operating Documents, Applicable Reliability Standards, or successor documents or procedures.

**G. Payment Schedule and Financial Security Requirements**

Interconnection Customer shall make prepayments to the Interconnecting Transmission Owner for the Interconnecting Transmission Owner's Interconnection Facilities and the Interconnecting Transmission Owner's Affiliate Interconnection Facilities by wire transfer in immediately available funds in accordance with the payment schedule in Appendix C, Table 3 of this Agreement.

1. The Summary Table of Prepayments as shown in Appendix C, Table 3 sets forth four (4) prepayments ("Prepayments").
2. The sum of the four prepayments made by Interconnection Customer shall be referred to as the "Total Estimated Cost". Within six (6) months following the In-Service Date, Interconnecting Transmission Owner shall inform Interconnection Customer of the final actual costs to design and install the Interconnecting Transmission Owner's Interconnection Facilities and Interconnecting Transmission Owner's Affiliate Interconnection Facilities ("Final Actual Installed Cost"), plus the actual tax gross up amount, as calculated by the Interconnecting Transmission Owner in accordance with the formula described in Article 5.17.4 of this Agreement ("Actual Tax Gross Up Amount") and shall provide Interconnection Customer with a final written invoice ("Final Invoice")

for the difference between the Final Actual Installed Cost and the Total Estimated Cost ("Final Balance").

On or before thirty (30) days following the date of the Interconnecting Transmission Owner's Final Invoice, the Interconnection Customer shall pay the Final Balance to Interconnecting Transmission Owner by wire transfer in immediately available funds; provided that, subject to compliance with Article 12.2 of this Agreement, in the event that the Total Estimated Cost exceeds the Final Actual Installed Cost, any such excess amount shall be refunded to Interconnection Customer as an overpayment.

3. The Interconnecting Transmission Owner shall not be obligated to commence and may not commence any of the tasks listed in Appendix B of this Agreement until (i) the Interconnecting Transmission Owner has received written notice from Interconnection Customer to proceed with such tasks, and (ii) the Interconnecting Transmission Owner has received the Prepayment required under this Section G corresponding to such task listed in Appendix B.

4. The Interconnection Customer and Interconnecting Transmission Owner agree that the Final Actual Installed Cost shall be considered a construction advance for tax purposes except as otherwise provided in Article 5.17.5 of this Agreement. On or before the date that Interconnection Customer pays the Interconnecting Transmission Owner's Final Invoice, Interconnection Customer shall present to the Interconnecting Transmission Owner a Letter of Credit ("LOC"), in form and substance complying with the requirements of this Section G and also acceptable to the Interconnecting Transmission Owner, such acceptance not to be unreasonably withheld or delayed, in a face amount representing the estimated tax gross up amount on the Final Actual Installed Cost. For purposes of this Agreement, the Actual Tax Gross Up Amount shall be the product of (i) the Final Actual Installed Cost and (ii) the Interconnecting Transmission Owner's or its Affiliate's tax gross up rate in existence at the In-Service Date as shown in Appendix C, Table 1 of this Agreement.

5. The Interconnection Customer shall be responsible for all costs associated with the LOC, including, without limitation, the costs of obtaining, maintaining and replacing such LOC and reimbursement of the LOC Bank (as such term is defined below). Each

LOC shall be in a form and substance complying with the requirements of this Section G and also acceptable to the Interconnecting Transmission Owner, such acceptance not to be unreasonably withheld or delayed. Each LOC shall be an irrevocable, unconditional, and transferable standby letter of credit issued by a U.S. commercial bank or a U.S. branch of a foreign bank (the "LOC Bank") provided that the Interconnection Customer is not an affiliate of the LOC Bank, the LOC Bank has at least ten billion dollars (\$10,000,000,000) in assets and the LOC Bank's lowest credit rating is at least A2 from Moody's Investors Service or A from Standard and Poor's Ratings Services or Fitch, Inc. ("LOC Bank Requirement(s)"). If at any time (i) the LOC Bank fails to satisfy any LOC Bank Requirement, or (ii) the LOC Bank advises that it will not renew the LOC beyond its current expiration date ("Notice of Cancellation"), then, the Interconnection Customer shall deliver a replacement letter of credit from a bank meeting the LOC Bank Requirements and the other requirements of this Paragraph and this Agreement. Such replacement letter of credit shall be delivered to Interconnecting Transmission Owner promptly but in no event later than ten (10) Calendar Days following the date on which the LOC Bank's first fails to satisfy an LOC Bank Requirement or, in the case of a Notice of Cancellation, thirty (30) Calendar Days prior to the current expiration date of the applicable LOC. If Interconnection Customer fails to provide such replacement LOC by the applicable date contemplated by this paragraph (and in compliance with the other requirements hereof), Interconnecting Transmission Owner shall have the immediate right to draw the full amount remaining under the applicable existing LOC.

6. Any LOC delivered pursuant to this Section G, as such LOC may be replaced, modified, or amended, from time to time, as contemplated above, shall serve as security for Interconnection Customer's obligations under this Agreement with respect to payment of, or indemnification of Interconnecting Transmission Owner from and against, the cost consequences of any tax liability imposed upon or against Interconnecting Transmission Owner or its Affiliate as a result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner under or in connection with this Agreement for the tax gross up on the cost of the Interconnecting Transmission Owner's Interconnection Facilities, Network Upgrades, and Interconnecting Transmission Owner's Affiliate Interconnection Facilities and shall not be used for any other purpose.

7. Interconnection Customer shall maintain the LOC provided under this Section G, any modification or amendment thereof, and any replacement for such LOC, in full force and effect at all times; provided, however, that Interconnection Customer may terminate such LOC, any modification or amendment thereof, and any replacement for such LOC, only upon termination of Interconnection Customer's indemnification obligation in accordance with Article 5.17.3 of this Agreement. The Interconnecting Transmission Owner shall have the right to draw upon the LOC provided under this Section G, any modification or amendment thereof, and any replacement for such LOC, in the event the Interconnection Customer fails to timely meet any of its obligations under this Agreement with respect to payment of, or indemnification of Interconnecting Transmission Owner or its Affiliate from and against, the cost consequences of any tax liability imposed upon or against Interconnecting Transmission Owner or its Affiliate as the result of payments or property transfers made by Interconnection Customer to Interconnecting Transmission Owner or its Affiliate under or in connection with this Agreement, as well as any interest and penalties.

8. If Interconnection Customer fails to make any payments required under this Appendix C or the Agreement, or fails to provide and maintain the security contemplated above, each in the form, amounts, and at the times, required, Interconnecting Transmission Owner or its Affiliate may exercise any rights, and pursue any remedies, available to it under this Agreement, including, without limitation, Article 12. If any payment date or other due date specified in this Section G falls on a weekend or a federal bank holiday, then such payment or due date shall be deemed to be the next business day.

## **APPENDIX C**

### **EXHIBIT 1**

#### **Transmission DAF Charge**

#### **Monthly Rate Formula**

The Monthly Rate shall equal the Annual Facilities Charge divided by 12.

The Annual Facilities Charge shall be calculated in a manner consistent with Schedule 21 - NEP, Attachment DAF of the OATT, determination of the Annual Facilities Charge for transmission facilities, which section of Schedule 21 currently provides as follows:

“The Annual Facilities Charge shall equal the product of the year-end Gross Plant Investment associated with the facility and the average Annual Transmission Carrying Charge, for the life of the facility.”

“The Gross Plant Investment shall be the investment from the plant accounting records associated with the facility.”

“The average Annual Transmission Carrying Charge shall be the Annual Transmission Revenue Requirement as determined in Attachment RR, Sections I. (A) through I. (H) to this Schedule, divided by the year-end balance of total transmission plant investment determined in accordance with Attachment RR, Section I. (A) (1) (a).”

“To the extent that the Transmission Customer provides a Contribution in Aid of Construction the average Annual Transmission Carrying Charge calculation will be modified to exclude Sections I. (A) (1) (a), I. (A) (1) (d), I. (A) (1) (e), I. (A) (1) (f), I (B), and I. (C) of Attachment RR, Exhibit 1 of Schedule 21 - NEP.”

“If the Interconnection Customer permanently terminates service in advance of the term of its Agreement, the Interconnection Customer may, at its option, close out its continuing obligation to pay the Annual Facilities Charge by paying NEP a lump sum payment equal to the net present value of the Return and Depreciation Expense on the net book value of the facility at the time of

termination that would have been collected over the remaining life of the facility, plus any cost of removal if applicable. The return shall be equal to that found in Attachment RR, Exhibit 1, Section I.(A)(2) to Schedule 21 - NEP, in the year of termination. Depreciation Expense shall be based on a straight-line method. The discount rate in the net present value calculation shall be equal to the interest rate pursuant to Section 35.19(a) of the Commission's regulations effective at the time of termination.”

“Billings in accordance with this Schedule shall initially be based upon estimates calculated based on actual costs in the preceding year, such estimates being adjusted to actual as soon as practicable after such costs become known. The source of the data shall be NEP's accounting records.”

## APPENDIX C

### Table 1 – Estimated Annual DAF Charges

The costs listed in this Appendix C, Table 1 are the estimates provided in Table 2 and are provided for illustrative purposes only. The DAF Charge will be adjusted to reflect the Final Actual Installed Cost and the Actual Annual Transmission Carrying Charges as determined from year to year. In the event that the Project is terminated, Interconnecting Transmission Owner shall refund to Interconnection Customer all Prepayments received in excess of Interconnecting Transmission Owner’s expenses and payment obligations incurred in fulfillment of this Agreement.

<u>Components</u>	<u>Estimated Cost</u>
Pre-design*	\$50,000
Design ITO Affiliate’s Interconnection Facilities	\$347,500
Procure ITO Affiliate’s Interconnection Facilities	\$662,500
Construct ITO Affiliate’s Interconnection Facilities	\$1,590,000
Estimated Total Customer Payments (see Tables 2 & 3)	\$2,650,000
Tax Gross Up (0.3554 <sup>1</sup> x Total Customer Payments)	\$941,810

\*A limited notice to proceed to be issued upon execution of this agreement will authorize initial expenditures not to exceed \$50,000 and to be reimbursed no later than September 1, 2014.

Estimated Annual DAF Charge <sup>2</sup>	
Gross Plant Investment (w/out tax gross up)	\$2, 650,000
Times	
Annual Carrying Charge Rate	7.48%
Equals	
Annual DAF Charge	\$198,220

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<sup>1</sup> The tax gross up rate shown in this Appendix C, Table 1 is the Interconnection Transmission Owner’s 2009 tax gross up rate, which is subject to change. The Actual tax gross up rate will be the rate that is in existence at the In-Service Date.

<sup>2</sup> Annual DAF Charges are calculated by multiplying Year-end Gross Plant Investment (GPI) by the Annual Carrying Charge rate that is in effect at the time. The Annual Carrying Charge rate shown in this Appendix C, Table 1 is the 2011 rate and is provided for illustrative purposes only. The Interconnection Customer will pay the Annual DAF Charge on a monthly basis, which will be estimated as the Annual DAF Charges divided by 12. In no event shall the NEP DAF Charge be calculated on any basis different from the formula set forth in Schedule 21 – NEP, Attachment DAF of the OATT as may be in effect from time to time.

## APPENDIX C

**Table 2 – Estimated Cost of Interconnection Facilities for DAF Charges**

<b>Interconnection Facility</b>	<b>Total Estimated Cost</b>	<b>% of Total</b>	<b>Interconnection Customer Cost</b>
34.5kV breaker at POI	\$2,500,000*	20%	\$500,000
Grounding transformer	\$500,000	100%	\$500,000
34.5kV overhead circuit	\$300,000**	50%	\$150,000
34.5kV underground circuit	\$3, 000,000**	50%	\$1,500,000
<b>Total</b>	<b>\$5,800,000</b>		<b>\$2, 650,000</b>

\* Estimated cost of five breaker switchgear arrangement at Block Island Substation

\*\* The Interconnection Customer is only responsible for the cost of the generator lead between the Point of Change of Ownership and the Point of Interconnection. A second 34.5kV line is for the tie of the Block Island Substation to the mainland, which is being funded outside of this Agreement. The two lines are running in parallel ductbanks from the shore and on common poles on the Block Island property. They were estimated together and a cost of one-half the total is used as a proxy cost for either line.

**Table 3 – Summary Table of Prepayments**

<b><u>Date</u></b>	<b><u>% of Total</u></b>	<b><u>Amount</u></b>
<b>Milestones 8and7C2</b>	<b>15%</b>	<b>\$397,500</b>
<b>Milestone 7C3</b>	<b>25%</b>	<b>\$662,500</b>
<b>Milestone 7C4</b>	<b>60%</b>	<b>\$1,590,000</b>
<b>Total</b>		<b>\$2,650,000</b>

## **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 Critical Infrastructure Protection Committee and, eventually, best practice recommendations from NERC. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

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]

New England Power Company  
Attn: Director, Transmission Commercial  
East Wing, Floor 1  
40 Sylvan Road  
Waltham, MA 02451

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

Re: Block Island Wind Farm Large Generating Facility

Dear \_\_\_\_\_:

On [Date] Deepwater Block Island Wind, LLC has completed Trial Operation of Unit No. \_\_\_\_.  
This letter confirms that Deepwater Block Island Wind, 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]*

## **APPENDIX F TO LGIA**

### **Addresses for Delivery of Notices and Billings Notices:**

System Operator: N/A

#### **Interconnecting Transmission Owner:**

New England Power Company  
Attn: Director, Transmission Commercial  
West Wing, Floor 1  
40 Sylvan Road  
Waltham, MA 02451

With copy to:

New England Power Company  
Attn: Lead Account Manager  
West Wing, Floor 1  
40 Sylvan Road  
Waltham, MA 02451

#### **Interconnection Customer:**

Deepwater Block Island Wind, LLC  
C/O Deepwater Wind, LLC  
Attn: Chris van Beek, President  
56 Exchange Terrace, Suite 101  
Providence, RI 02903

### **Billings and Payments:**

System Operator: N/A

Interconnecting Transmission Owner:

New England Power Company  
Attn: Transmission Billing  
West Wing, Floor 2  
40 Sylvan Road  
Waltham, MA 02451

Interconnection Customer:

Deepwater Block Island Wind, LLC  
C/O Deepwater Wind, LLC  
Attn: Contract Admin  
56 Exchange Terrace, Suite 101  
Providence, RI 02903

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

System Operator: N/A

Interconnecting Transmission Owner:

Telephone: (781) 907-2409  
Fax: (781) 296-8088  
Email: edward.m.kremzier@nationalgrid.com

Interconnection Customer:

Telephone: (401)-648-0606  
Fax: (401)-228-8004  
Email: kadmin@dwwind.com

**DUNS Numbers:**

Interconnection Customer: 831810895

Interconnecting Transmission Owner: 006952881

## 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.

#### **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 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 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.
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.

**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.