BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

Open Access Transmission Tariff (OATT)

ACCEPTED: April 26, 2013
ORDER NO. G-59-13
COMMISSION SECRETARY

Table of Contents

Part I. COMMON SERVICE PROVISIONS 1

1. Definitions 1
1.1 Affiliate 1
1.2 Ancillary Services 1
1.3 Annual Transmission Costs 1
1.4 Application 1
1.5 Commission 2
1.6 Completed Application 2
1.7 Control Area 2
1.8 Curtailment 2
1.9 Delivering Party 2
1.10 Designated Agent 3
1.11 Direct Assignment Facilities 3
1.12 Eligible Customer 3
1.13 Facilities Study 4
1.14 Firm Point-To-Point Transmission Service 4
1.15 Good Utility Practice 4
1.16 Interruption 5
1.17 Load Ratio Share 5
1.18 Load Shedding 5
1.19 Long-Term Firm Point-To-Point Transmission Service 5
1.20 Reserved 5
1.21 Network Customer 5
1.22 Network Integration Transmission Service 6
1.23 Network Load 6
1.24 Network Operating Agreement 6
1.25 Network Operating Committee 6
1.26 Network Resource 7
1.27 Network Upgrades 7
1.28 Non-Firm Point-To-Point Transmission Service 7
1.29 Non-Firm Sale 8
1.30 Open Access Same-Time Information System (OASIS) 8
1.31 Part I 8
1.32 Part II 8
1.33 Part III 8
1.34 Parties 8
1.35 Point(s) of Delivery 9

1.36 Point(s) of Receipt 9
1.37 Point-To-Point Transmission Service 9
1.38 Power Purchaser 9
1.39 Pre-Confirmed Application 9
1.40 Receiving Party 9
1.41 Regional Transmission Group (RTG) 10
1.42 Reserved Capacity 10
1.43 Service Agreement 10
1.44 Service Commencement Date 10
1.45 Short-Term Firm Point-To-Point Transmission Service 10
1.46 Reserved 11
1.47 System Impact Study 11
1.48 Third-Party Sale 11
1.49 Transmission Customer 11
1.50 Transmission Provider 11
1.51 Transmission Provider's Monthly Transmission System Peak 11
1.52 Transmission Service 12
1.53 Transmission System 12
1.54 Umbrella Agreement 12
1.55 Working Day 12
1.56 $ or Dollar 12

2. Renewal Procedures 13
2.1 Reserved 13
2.2 Reservation Priority For Existing Firm Service Customers 13

3. Ancillary Services 14
3.1 Scheduling, System Control and Dispatch Service 15
3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service 15
3.3 Regulation and Frequency Response Service 15
3.4 Energy Imbalance Service 16
3.5 Operating Reserve - Spinning Reserve Service 16
3.6 Operating Reserve - Supplemental Reserve Service 16

4. Open Access Same-Time Information System (OASIS) 16

5. Jurisdiction 17
5.1 Applicable Law 17
5.2 Modification of the Tariff 17
5.3 Export Permits or Licence 17

6. Reciprocity 17

7. Billing and Payment 18
7.1 Billing Procedure 18
7.2 Interest on Unpaid Balances 19
7.3 Customer Default 19

8. Accounting for the Transmission Provider's Use of the Tariff 19
8.1 Transmission Revenues 20
8.2 Study Costs and Revenues 20

9. Regulatory Filings 20

10. Force Majeure, Indemnification, and Limitation of Liability 21
10.1 Force Majeure 21
10.2 Indemnification 21
10.3 Limitation of Liability 21

11. Creditworthiness 22

12. Dispute Resolution Procedures 22
12.1 Dispute Resolution Procedures (RTG Members) 22
12.2 Internal Dispute Resolution Procedures (Non-RTG Members) 23
12.3 External Arbitration Procedures (Non-RTG Members) 23
12.4 Arbitration Decisions 24
12.5 Costs 25
12.6 Rights Under The British Columbia *Utilities Commission Act* 25

Part II. POINT-TO-POINT TRANSMISSION SERVICE 26

13. Nature of Firm Point-To-Point Transmission Service 26
13.1 Term 26
13.2 Reservation Priority 26
13.3 Use of Firm Transmission Service by the Transmission Provider 28
13.4 Service Agreements 28
13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs 29
13.6 Curtailment of Firm Transmission Service 30
13.7 Classification of Firm Transmission Service 31
13.8 Scheduling of Firm Point-To-Point Transmission Service 32

14. Nature of Non-Firm Point-To-Point Transmission Service 33
14.1 Term 33
14.2 Reservation Priority 33
14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Provider 34
14.4 Umbrella Agreements 35
14.5 Classification of Non-Firm Point-To-Point Transmission Service 35
14.6 Scheduling of Non-Firm Point-To-Point Transmission Service 35
14.7 Curtailment or Interruption of Service 36

15. Service Availability 37
15.1 General Conditions 37
15.2 Determination of Available Transfer Capability 37
15.3 Initiating Service in the Absence of an Executed Service Agreement or Umbrella Agreement 38
15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment 38
15.5 Deferral of Service 40
15.6 Other Transmission Service Schedules 40
15.7 Real Power Losses 40
15.8 Open Season 41

16. Transmission Customer Responsibilities 44
16.1 Conditions Required of Transmission Customers 44
16.2 Transmission Customer Responsibility for Third-Party Arrangements 45

17. Procedures for Arranging Firm Point-To-Point Transmission Service 46
17.1 Application 46
17.2 Completed Application 46
17.3 Deposit 48
17.4 Notice of Deficient Application 49
17.5 Response to a Completed Application 49
17.6 Execution of Service Agreement 50
17.7 Extensions for Commencement of Service 50

18. Procedures for Arranging Non-Firm Point-To-Point Transmission Service 51
18.1 Application 51
18.2 Completed Application 51
18.3 Reservation of Non-Firm Point-To-Point Transmission Service 52
18.4 Determination of Available Transfer Capability 53

19. Additional Study Procedures For Long-Term Firm Point-To-Point Transmission Service Requests 53
19.1 Notice of Need for System Impact Study 53
19.2 System Impact Study Agreement and Cost Reimbursement 54
19.3 System Impact Study Procedures 55
19.4 Facilities Study Procedures 56
19.5 Facilities Study Modifications 57
19.6 Due Diligence in Completing New Facilities 58
19.7 Partial Interim Service 58
19.8 Expedited Procedures for New Facilities 59
19.9 Penalties for Failure to Meet Study Deadlines 60

20. Procedures if the Transmission Provider is Unable to Complete New Transmission Facilities for Long-Term Firm Point-To-Point Transmission Service 61
20.1 Delays in Construction of New Facilities 61
20.2 Alternatives to the Original Facility Additions 61
20.3 Refund Obligation for Unfinished Facility Additions 62

21. Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities 62
21.1 Responsibility for Third-Party System Additions 62
21.2 Coordination of Third-Party System Additions 63

22. Changes in Service Specifications 63
22.1 Modifications On a Non-Firm Basis 63
22.2 Modification On a Firm Basis 64

23. Sale or Assignment of Transmission Service 65
23.1 Procedures for Assignment or Transfer of Service 65
23.2 Limitations on Assignment or Transfer of Service 66
23.3 Information on Assignment or Transfer of Service 66

24. Metering and Power Factor Correction at Point(s) of Receipt and Point(s) of Delivery 66
24.1 Transmission Customer Obligations 66
24.2 Transmission Provider Access to Metering Data 67
24.3 Power Factor 67

25. Compensation for Transmission Service 67

26. Stranded Cost Recovery 67

27. Compensation for New Facilities and Redispatch Costs 67

Part III. NETWORK INTEGRATION TRANSMISSION SERVICE 69

28. Nature of Network Integration Transmission Service 69
28.1 Scope of Service 69
28.2 Transmission Provider Responsibilities 69
28.3 Network Integration Transmission Service 70
28.4 Secondary Service 70
28.5 Real Power Losses 70
28.6 Restrictions on Use of Service 71

29. Initiating Service 71
29.1 Condition Precedent for Receiving Service 71
29.2 Application Procedures 72
29.3 Technical Arrangements to be Completed Prior to Commencement of Service 76
29.4 Network Customer Facilities 76

30. Network Resources 77
30.1 Designation of Network Resources 77
30.2 Designation of New Network Resources 77
30.3 Termination of Network Resources 78
30.4 Operation of Network Resources 78
30.5 Network Customer Redispatch Obligation 79
30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With the Transmission Provider 79
30.7 Limitation on Designation of Network Resources 79
30.8 Use of Interface Capacity by the Network Customer 79
30.9 Network Customer Owned Transmission Facilities 80

31. Designation of Network Load 80
31.1 Network Load 80
31.2 New Network Loads Connected With the Transmission Provider 81
31.3 Network Load Not Physically Interconnected With the Transmission Provider 81
31.4 New Interconnection Points 81
31.5 Changes in Service Requests 82
31.6 Annual Load and Resource Information Updates 82

32. Additional Study Procedures For Network Integration Transmission Service Requests 83
32.1 Notice of Need for System Impact Study 83
32.2 System Impact Study Agreement and Cost Reimbursement 84
32.3 System Impact Study Procedures 84
32.4 Facilities Study Procedures 85
32.5 Penalties for Failure to Meet Study Deadlines 87

33. Load Shedding and Curtailments 87
33.1 Procedures 87
33.2 Transmission Constraints 87
33.3 Cost Responsibility for Relieving Transmission Constraints 88
33.4 Curtailments of Scheduled Deliveries 88
33.5 Allocation of Curtailments 88
33.6 Load Shedding 88
33.7 System Reliability 89

34. Rates and Charges 89
34.1 Monthly Demand Charge 89
34.2 Determination of Network Customer's Monthly Network Load 90
34.3 Determination of Transmission Provider's Monthly Transmission System Load 90
34.4 Redispatch Charge 90
34.5 Stranded Cost Recovery 90

35. Operating Arrangements 91
35.1 Operation Under the Network Operating Agreement 91
35.2 Network Operating Agreement 91
35.3 Network Operating Committee 92

List of Attachments

Attachment A: Umbrella Agreement for Short-Term Firm or Non-Firm Point-To-Point Transmission Service

Attachment B: Form of Service Agreement for Long-Term Firm Point-To-Point Transmission Service

Attachment B-1: Form of Service Agreement for the Resale, Reassignment or Transfer of Point-To-Point Transmission Service

Attachment C: Methodology To Assess Available Transfer Capability

Attachment D: Methodology for Completing a System Impact Study

Attachment E: Index of Point-To-Point Transmission Service Customers

Attachment F: Form of Service Agreement for Network Integration Transmission Service

Attachment G: Network Operating Agreement

Attachment H: Annual Transmission Revenue Requirement for Network Integration Transmission Service

Attachment I: Index of Network Integration Transmission Service Customers

Attachment J: Procedures for Addressing Parallel Flows

Attachment K: Transmission Planning Process

Attachment L: Creditworthiness Provisions

Attachment M-1: Standard Generator Interconnection Procedures (SGIP) including Standard Generator Interconnection Agreement (SGIA)

Attachment M-2: Transmission Service and Interconnection Service Procedures for CEAPS

Attachment N: Deferral Credits for Long Term Point-To-Point Customers Who Participate in a Dispatch Option During Critical Peak Periods

Attachment O: Recovery of New Facilities Costs

Attachment P: Contingency Resource Plans (CRP) and Release of Capacity Not Required by Network Integration Transmission Service (NITS)

Attachment Q-1: Dynamic Scheduling

Attachment Q-2: Network Economy Service

Attachment Q-3: Spinning Reserve and Contingency Reserve Transmission Service

Attachment Q-4: Mixed Class Wheelthrough Service

Attachment Q-5: Wheeling Rights Under Fortis BC Inc.'s Tariff Supplement No. 9

List of Tariff Supplements

Tariff Supplement78: Wheeling for Canal Plant Agreement Coordination Transfers

Tariff Supplement79: BC Hydro Generating Plant Interconnections

Tariff Supplement 80: Network Economy Service

Tariff Supplement 81: AltaGas Northwest Projects Umbrella Agreement

List of Rate Schedules

Section A. Transmission Rates for Services

Schedule 00: Network Integration Transmission Service

Schedule 01: Point-To-Point Transmission Service

Schedule 02: Reserved

Schedule 03: Scheduling, System Control, and Dispatch Service

Schedule 04: Reactive Supply and Voltage Control from Generation or Other Source Services

Schedule 05: Regulation and Frequency Response Service

Schedule 06: Energy Imbalance Service

Schedule 07: Operating Reserve (OR) – Spinning Reserve Service

Schedule 08: Operating Reserve (OR) – Supplemental Reserve Service

Schedule 09: Loss Compensation Service

Schedule 10: Real Power Losses

PART I. COMMON SERVICE PROVISIONS

1. Definitions

1.1 Affiliate

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.

1.2 Ancillary Services

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

1.3 Annual Transmission Costs

The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by the Transmission Provider or modified by the Commission.

1.4 Application

A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

1.4.1 Business Day

Monday through Friday, excluding Statutory Holidays.

1.4.2 Calendar Day

Any day including Saturday, Sunday or a Statutory Holiday.

1.5 Commission

The British Columbia Utilities Commission.

1.6 Completed Application

An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.

1.7 Control Area

An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

(a) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);

(b) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;

(c) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and

(d) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

1.8 Curtailment

A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.

1.9 Delivering Party

The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

1.10 Designated Agent

Any entity that performs actions or functions on behalf of the Transmission Provider, an Eligible Customer, or the Transmission Customer required under the Tariff.

1.11 Direct Assignment Facilities

Facilities or portions of facilities that are constructed by the Transmission Provider for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and may require Commission approval.

1.11.1 Direct Damages

Direct damage or loss excluding loss of profit, loss of revenue, loss of production, loss of earnings, loss of contract or any other incidental, consequential, punitive, special, exemplary, or indirect loss or damage whatsoever.

1.12 Eligible Customer

(i) Any electric utility (including the Transmission Provider and any power marketer or US Federal power marketing agency), or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in Canada, the United States or Mexico; however, such entity is not eligible for transmission service that would be prohibited by Section 212(h)(2) of the US Federal Power Act; and (ii) Any retail customer taking unbundled transmission service for all or part of its energy purchase pursuant to a provincial requirement that the Transmission Provider offer the transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer under the Tariff.

1.12.1 Energy Resource Interconnection Service

An Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey Transmission Service.

1.13 Facilities Study

An engineering study conducted by the Transmission Provider to determine the required modifications to the Transmission Provider's Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service.

1.14 Firm Point-To-Point Transmission Service

Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

1.15 Good Utility Practice

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

standards adopted by the Commission pursuant to section 125.2 of the British Columbia Utilities Commission Act.

1.16 Interruption

A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

1.17 Load Ratio Share

Ratio of a Network Customer's monthly Network Load to the Transmission Provider's monthly Transmission System load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III of the Tariff and calculated on a monthly basis.

1.18 Load Shedding

The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.

1.19 Long-Term Firm Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one (1) year or more.

1.20 Reserved

1.21 Network Customer

An entity receiving transmission service pursuant to the terms of the Transmission Provider's Network Integration Transmission Service under Part III of the Tariff.

1.22 Network Integration Transmission Service

The transmission service provided under Part III of the Tariff.

1.23 Network Load

The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load. If a Network Customer designates only part of the load at a discrete Point of Delivery, the Network Customer and the Transmission Provider must agree on a metering procedure to separate the part of load that is served by the Network Customer's NITS and the part of load that is served by a separate Point-To-Point Transmission Service. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

1.24 Network Operating Agreement

An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.

1.25 Network Operating Committee

A group made up of representatives from the Network Customer(s) and the Transmission Provider established to coordinate operating criteria and other technical

considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

1.26 Network Resource

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

1.26.1 Network Resource Interconnection Service

An Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission Provider's Transmission System in the same manner as all other Network Resources. Network Resource Interconnection Services in and of itself does not convey Transmission Service.

1.27 Network Upgrades

Modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System.

1.28 Non-Firm Point-To-Point Transmission Service

Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for periods ranging from one (1) hour to less than one (1) year.

1.29 Non-Firm Sale

An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.

1.30 Open Access Same-Time Information System (OASIS)

An information system operated by or for the Transmission Provider that satisfies North American industry standards (including those prescribed for US electric utilities by the Federal Energy Regulatory Commission (FERC)) and all Commission requirements (including standards of conduct).

1.31 Part I

Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

1.32 Part II

Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.33 Part III

Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.34 Parties

The Transmission Provider and the Transmission Customer receiving service under the Tariff.

1.35 Point(s) of Delivery

Point(s) on the Transmission Provider's Transmission System where capacity and energy transmitted by the Transmission Provider will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

1.36 Point(s) of Receipt

Point(s) of interconnection on the Transmission Provider's Transmission System where capacity and energy will be made available to the Transmission Provider by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

1.37 Point-To-Point Transmission Service

The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

1.38 Power Purchaser

The entity that is purchasing the capacity and energy to be transmitted under the Tariff.

1.39 Pre-Confirmed Application

An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service.

1.40 Receiving Party

The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.

1.41 Regional Transmission Group (RTG)

A voluntary organization of transmission owners, transmission users and other entities formed to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

1.42 Reserved Capacity

The maximum amount of capacity of energy that the Transmission Provider agrees to transmit for the Transmission Customer over the Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

1.43 Service Agreement

The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for Long-Term Firm Point-To-Point or Network Integration Transmission Service under the Tariff, and any requests for Short-Term Firm or Non-Firm Point-To-Point Transmission Service made pursuant to an Umbrella Agreement and confirmed over the Transmission Provider's OASIS.

1.44 Service Commencement Date

The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

1.45 Short-Term Firm Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service under Part II of the Tariff with a minimum term of one (1) hour and a maximum term of less than one (1) year.

1.46 Reserved

1.47 System Impact Study

An assessment by the Transmission Provider of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service; and (ii) whether any additional costs may be incurred in order to provide transmission service.

1.48 Third-Party Sale

Any sale for resale to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service.

1.49 Transmission Customer

Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement; (ii) receives service under an Umbrella Agreement; or (iii) requests in writing that the Transmission Provider file with the Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

1.50 Transmission Provider

The British Columbia Hydro and Power Authority (BC Hydro).

1.51 Transmission Provider's Monthly Transmission System Peak

The maximum firm usage expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis, of the Transmission Provider's Transmission System in a calendar month.

1.52 Transmission Service

Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis and Network Integration Transmission Service provided under Part III of the Tariff.

1.53 Transmission System

The facilities owned, controlled or operated by the Transmission Provider that are used to provide transmission service under Part II and Part III of the Tariff.

1.54 Umbrella Agreement

An agreement between the Transmission Provider and an Eligible Customer which provides all the information necessary to enable such Eligible Customer to receive Short-Term Firm or Non-Firm Point-To-Point Transmission Service under this Tariff without the necessity of first executing a Service Agreement. A form of Umbrella Agreement is attached as Attachment A.

1.55 Working Day

Any day in the week excluding weekends and as specified in the Transmission Provider's business practices.

1.56 $ or Dollar

All dollar amounts in the Tariff are in Canadian dollars unless otherwise specified.

2. Renewal Procedures

2.1 Reserved

2.2 Reservation Priority For Existing Firm Service Customers

Unless stated otherwise in the initial Service Agreement in accordance with Section 5 of Attachment B, existing firm service customers with a contract term of five-years or more, have the right to continue to take transmission service from the Transmission Provider when the contract expires, rolls over or is renewed. If at the end of the contract term, the Transmission Provider's Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract term at least equal to a competing request by any new Eligible Customer and to pay the current just and reasonable rate, as approved by the Commission, for such service; provided that, the firm service customer shall have a right of first refusal at the end of such service only if the new contract is for five years or more. The existing firm service customer must provide notice to the Transmission Provider whether it will exercise its right of first refusal no less than one year prior to the expiration date of its transmission service agreement. Subject to Attachment P this transmission reservation priority for existing firm service customers is an ongoing right that may be exercised at the end of all firm contract terms of five years or longer.

2.2.1 Transition

Service agreements subject to a right of first refusal entered into prior to the date new rate schedules of the Transmission Provider adopting the reformed rollover language herein are made effective by the Commission or associated with a transmission service request received prior to the date new rate schedules of the Transmission Provider adopting the reformed rollover language herein are made effective by the Commission, unless terminated, will become subject to the five year/one year requirement on the first rollover date after the date new rate schedules of the Transmission Provider adopting the reformed rollover language herein are made effective by the Commission; provided

that, the one-year notice requirement shall apply to such service agreements with five years or more left in their terms as of the date new rate schedules of the Transmission Provider adopting the reformed rollover language herein are made effective by the Commission.

3. Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. The Transmission Provider is required to provide, and the Transmission Customer is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch; and (ii) Reactive Supply and Voltage Control from Generation or other Sources.

The Transmission Provider is required to offer to provide the following Ancillary Services only to the Transmission Customer serving load within the Transmission Provider's Control Area: (i) Regulation and Frequency Response; (ii) Energy Imbalance; (iii) Operating Reserve - Spinning; and (iv) Operating Reserve – Supplemental. The Transmission Customer serving load within the Transmission Provider's Control Area is required to acquire these Ancillary Services, whether from the Transmission Provider, from a third party, or by self-supply.

The Transmission Customer may not decline the Transmission Provider's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must inform the Transmission Provider which Ancillary Services it will purchase from the Transmission Provider prior to the commencement of service requested. A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section that were provided by the Transmission Provider associated with the unreserved service.

The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not reserve.

The Transmission Provider shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer in the applicable Transmission Provider Rate Schedule 03 through Rate Schedule 09.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by the Transmission Provider in conjunction with its provision of transmission service as follows: (i) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS; (ii) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS; and (iii) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Transmission Provider's system. Sections 3.1 through 3.6 below list the six Ancillary Services.

3.1 Scheduling, System Control and Dispatch Service

The rates and/or methodology are described in Rate Schedule 03. The Transmission Provider will provide dynamic scheduling in accordance with Attachment Q-1.

3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service

The rates and/or methodology are described in Rate Schedule 04.

3.3 Regulation and Frequency Response Service

Where applicable the rates and/or methodology are described in Rate Schedule 05.

3.4 Energy Imbalance Service

Where applicable the rates and/or methodology are described in Rate Schedule 06.

3.5 Operating Reserve - Spinning Reserve Service

Where applicable the rates and/or methodology are described in Rate Schedule 07.

3.6 Operating Reserve - Supplemental Reserve Service

Where applicable the rates and/or methodology are described in Rate Schedule 08.

4. Open Access Same-Time Information System (OASIS)

The Transmission Provider will follow North American industry standard terms and conditions (including those prescribed for US electric utilities by the FERC) and Commission requirements (including standards of conduct) in implementing, operating or utilizing the OASIS. In the event available transfer capability as posted on the OASIS is insufficient to accommodate a request for firm transmission service, additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

The Transmission Provider shall post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. The Transmission Provider shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained. The Transmission Provider shall also post on OASIS and its public website an electronic link to a statement of the process by which the Transmission Provider shall add, delete or otherwise modify the rules, standards and practices that are not included in this tariff. Such process shall set forth the means by which the Transmission Provider shall provide reasonable advance notice to Transmission Customers and Eligible Customers of any such additions, deletions or modifications, the

associated effective date, and any additional implementation procedures that the Transmission Provider deems appropriate.

5. Jurisdiction

5.1 Applicable Law

This Tariff shall be governed by and construed in accordance with the laws of the Province of British Columbia.

5.2 Modification of the Tariff

The rates, terms and conditions of this Tariff are subject to decisions, orders, rules and regulations of the Commission and may be amended from time to time.

5.3 Export Permits or Licence

The Transmission Provider may refuse to provide Transmission Service to facilitate the export of electricity from Canada if BC Hydro has not been supplied with a copy of the exporter's permit or licence issued by the National Energy Board.

6. Reciprocity

A Transmission Customer receiving transmission service under this Tariff agrees to provide comparable transmission service that it is capable of providing to the Transmission Provider on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates. A Transmission Customer that is a member of, or takes transmission service from, a power pool, Regional Transmission Group, Regional Transmission Organization (RTO), Independent System Operator (ISO) or other transmission organization also agrees to provide comparable transmission service to the transmission-owning members of such

power pool and Regional Transmission Group, RTO, ISO or other transmission organization on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates.

This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this provision.

The requirements of this Section may be waived by the Transmission Provider for good cause shown.

7. Billing and Payment

7.1 Billing Procedure

Within a reasonable time after the first day of each month, the Transmission Provider shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer within twenty (20) Calendar Days of receipt. All payments shall be made in immediately available funds payable to the Transmission Provider, or by wire transfer to a bank named by the Transmission Provider.

7.2 Interest on Unpaid Balances

Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated based on the average prime rate of the Transmission Provider's lead bank plus two (2) percent for the applicable period. Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by the Transmission Provider.

7.3 Customer Default

In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to the Transmission Provider on or before the due date as described in Section 7.1, and such failure of payment is not corrected within thirty (30) Calendar Days after the Transmission Provider notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, the Transmission Provider may suspend service to the customer in accordance with Attachment L. In the event of a billing dispute between the Transmission Provider and the Transmission Customer, the Transmission Provider will continue to provide service under the Service Agreement or Umbrella Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then the Transmission Provider may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) Calendar Days.

8. Accounting for the Transmission Provider's Use of the Tariff

The Transmission Provider shall record the following amounts, as outlined below.

8.1 Transmission Revenues

Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

8.2 Study Costs and Revenues

Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expenses that are incurred to perform any System Impact Studies or Facilities Studies which the Transmission Provider conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

9. Regulatory Filings

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the right of the Transmission Provider to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation pursuant to the British Columbia Utilities Commission Act and the Commission's decisions, orders, rules and regulations promulgated there under.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Tariff to exercise its rights under the British Columbia Utilities Commission Act and pursuant to the Commission's decisions, orders, rules and regulations promulgated thereunder.

10. Force Majeure, Indemnification, and Limitation of Liability

10.1 Force Majeure

An event of Force Majeure means any act of God, labour disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, 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 an act of negligence or intentional wrongdoing. Neither the Transmission Provider nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

10.2 Indemnification

The Transmission Customer shall at all times indemnify, defend, and save the Transmission Provider 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, demands, suits, recoveries, costs and expenses, court costs, legal fees, and all other obligations by or to third parties, arising out of or resulting from the Transmission Provider's performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of gross negligence or intentional wrongdoing by the Transmission Provider.

10.3 Limitation of Liability

(a) The Transmission Provider shall not be liable, whether based on contract, indemnification, warranty, tort, strict liability or otherwise, for any damages whatsoever, including, without limitation, Direct Damages, incidental, consequential, punitive, special, exemplary or indirect damages arising or resulting

from any act or omission in any way associated with service provided under this Tariff, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service, except to the extent that the Transmission Provider is found liable for gross negligence or intentional misconduct, in which case the Transmission Provider's liability will be limited to Direct Damages.

(b) The Transmission Provider shall not be liable for damages arising out of services provided under this Tariff, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service, occurring as a result of conditions or circumstances beyond the control of the Transmission Provider, as applicable, or resulting from electric system design common to the domestic electric utility industry or electric system operation practices or conditions common to the domestic electric utility industry.

11. Creditworthiness

The Transmission Provider's creditworthiness procedures are specified in Attachment L.

12. Dispute Resolution Procedures

12.1 Dispute Resolution Procedures (RTG Members)

Any dispute between the Transmission Provider and a Transmission Customer who is a member in a common RTG with the Transmission Provider and that involves Transmission Service under this Tariff (excluding Applications for rate changes or other changes to this Tariff, or to any Service Agreement or Umbrella Agreement under this Tariff, which shall be presented directly to the Commission for resolution) shall be resolved pursuant to the provisions of the applicable RTG Governing Agreement.

12.2 Internal Dispute Resolution Procedures (Non-RTG Members)

Any dispute between the Transmission Provider and a Transmission Customer who is not a member in a common RTG with the Transmission Provider and involving transmission service under the Tariff (excluding applications for rate changes or other changes to the Tariff, or to any Service Agreement or Umbrella Agreement entered into under the Tariff, which shall be presented directly to the Commission for resolution) shall be referred to a designated senior representative of the Transmission Provider and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) Calendar Days or such other period as the Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

12.2.1 Consolidation of Arbitrations related to the Allocation of Transfer Capability

If any dispute related to the calculation, allocation, sale or award of transfer capability, including a portion of transfer capability, on the Transmission System is submitted to arbitration, then all disputes related to the calculation, allocation, sale or award of that same transfer capability, including the same portion of that transfer capability, on the Transmission System, shall be submitted to arbitration and consolidated into a single arbitration. In the case of such a dispute, if the transfer capability at issue has been allocated to a Transmission Customer, that Transmission Customer may become a Party to the arbitration.

12.3 External Arbitration Procedures (Non-RTG Members)

(a) Any arbitration initiated under the Tariff between Transmission Provider and a Transmission Customer who is not a member in a common RTG with the Transmission Provider shall be conducted in British Columbia before a single neutral arbitrator appointed by the Parties.

(b) In the case of a non-consolidated arbitration, if the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel.

(c) In the case of a consolidated arbitration, if the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the referral of the dispute to arbitration, the Parties will provide a notice to the British Columbia International Commercial Arbitration Centre in Vancouver, British Columbia (the Centre) to appoint an arbitrator pursuant to the Domestic Commercial Arbitration Rules of Procedure of the Centre as amended from time to time.

(d) The arbitrator(s) 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 conduct the arbitration in British Columbia and shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Act of British Columbia.

12.4 Arbitration Decisions

Unless otherwise agreed or, in the case where Transmission Provider and Transmission Customer are members in a common RTG except as otherwise provided in an applicable RTG Governing Agreement, 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 therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Service Agreement or Umbrella Agreement entered into under the Tariff and shall have no power to modify or change any of the above 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 of the Commercial Arbitration Act of British Columbia. The final decision of the arbitrator must also be filed with the Commission if it affects the Transmission Provider's rates, terms and conditions of service or facilities.

12.5 Costs

Except as may be otherwise provided in an RTG Governing Agreement applicable to the Transmission Provider and a Transmission Customer who is a member in a common RTG with the Transmission Provider, each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

(a) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen;

(b) one half the cost of the single arbitrator jointly chosen by the Parties; or

(c) in a consolidated arbitration, an equal share of the cost of the single arbitrator jointly chosen by the Parties or appointed by the Centre.

12.6 Rights Under The British Columbia *Utilities Commission Act*

Nothing in this section shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the British Columbia Utilities Commission Act.

PART II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

The Transmission Provider will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point Transmission Service is for the receipt of capacity and energy at designated Point(s) of Receipt and the transfer of such capacity and energy to designated Point(s) of Delivery. Customers taking Point-To-Point Transmission Service must obtain Ancillary Services pursuant to Section 3.

13. Nature of Firm Point-To-Point Transmission Service

13.1 Term

The minimum term of Firm Point-To-Point Transmission Service shall be one hour and the maximum term shall be specified in the Service Agreement.

13.2 Reservation Priority

(a) Subject to Section 15.8 and Section 15.9, Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis i.e., in the chronological sequence in which each Transmission Customer has reserved service. If available transfer capability is insufficient to satisfy all requests and reservations, reservations for Long-Term Firm Point-To-Point Transmission Service will pre-empt all conditional Short-Term Firm Point-to-Point reservations.

(b) Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction or reservation. However, Pre-Confirmed Applications for Short-Term Point-to-Point Transmission Service will receive priority over earlier-submitted conditional requests that are not Pre-Confirmed and that have equal or shorter duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-confirmed, confirmed, or not confirmed), priority will be given to

an Eligible Customer's request or reservation that offers the highest price, followed by the date and time of the request or reservation.

(c) If the Transmission System becomes oversubscribed, requests for service may preempt competing reservations up to the following conditional reservation deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service. The conditional reservation deadline for hourly service will be specified in the Transmission Provider's Business Practices. Before the conditional reservation deadline, if available transfer capability is insufficient to satisfy all requests and reservations, an Eligible Customer with a reservation for shorter term service or equal duration service and lower price has the right of first refusal to match any longer term request or equal duration service with a higher price before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in section 13.8) from being notified by the Transmission Provider of a longer-term competing request for Short-Term Firm Point-To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff.

(d) Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. Reservation priority for Long-Term Firm Point-To-Point Transmission Service will be determined on the same basis as Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

(e) Where the Transmission Provider's business practices establish an earliest time at which requests for Firm Point-to-Point Transmission Service may be submitted, any requests for such service that are submitted within a 5 minute window following such earliest time shall be deemed to have been submitted simultaneously during such window. The otherwise applicable priorities shall apply to the allocation of transfer capability to such requests, except that transfer capability will not be allocated based on a first-come, first-served or chronological basis. To allocate transfer capability amongst requests of equal priority, the Transmission Provider will create a randomly determined pick order from the list of Eligible Customers that have submitted requests within the 5 minute window. In accordance with the pick order, the Transmission Provider will grant one request at a time out of the pool of requests of equal priority until all requests in the pool are granted or all available transfer capability is exhausted.

13.3 Use of Firm Transmission Service by the Transmission Provider

The Transmission Provider will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales. The Transmission Provider will maintain separate accounting, pursuant to Section 8, for any use of the Point-To-Point Transmission Service to make Third-Party Sales.

13.4 Service Agreements

Subject to Attachment M-2, the Transmission Provider shall offer a standard form Long-Term Firm Point-To-Point Transmission Service Agreement (Attachment B) to an Eligible Customer when it submits a Completed Application for Long-Term Firm Point-To-Point Transmission Service. Subject to Attachment M-2, the Transmission Provider shall offer a standard form Umbrella Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Short-Term Firm Point-To-Point Transmission Service pursuant to the Tariff. An Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved and that has not executed a Service Agreement will be deemed, for the

purposes of assessing any appropriate charges and penalties, to have executed the appropriate Service Agreement. The Service Agreement shall, when applicable, specify any conditional curtailment options selected by the Transmission Customer. Where the Service Agreement contains conditional curtailment options and is subject to a biennial reassessment as described in Section 15.4, the Transmission Provider shall provide the Transmission Customer notice of any changes to the curtailment conditions no less than 90 days prior to the date for imposition of new curtailment conditions. Concurrent with such notice, the Transmission Provider shall provide the Transmission Customer with the reassessment study and a narrative description of the study, including the reasons for changes to the curtailment conditions.

13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs

In cases where the Transmission Provider determines that the Transmission System is not capable of providing Long-Term Firm Point-To-Point Transmission Service without: (i) degrading or impairing the reliability of service to Network Customers and other Transmission Customers taking Long-Term Firm Point-To-Point Transmission Service; or (ii) interfering with the Transmission Provider's ability to meet prior firm contractual commitments to others, the Transmission Provider will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 15.4. The Transmission Customer must agree to compensate the Transmission Provider for any necessary transmission facility additions pursuant to the terms of Section 27. To the extent the Transmission Provider can relieve any system constraint by redispatching theTransmission Provider's resources, it shall do so, provided that the Eligible Customer agrees to compensate the Transmission Provider pursuant to the terms of Section 27 and agrees to either (i) compensate the Transmission Provider for any necessary transmission facility additions or (ii) accept the service subject to a biennial reassessment by the Transmission Provider of redispatch requirements as described in Section 15.4. Any redispatch, Network Upgrade or Direct Assignment Facilities costs to be charged to the Transmission Customer on an incremental basis under the Tariff will be specified in the Service Agreement prior to initiating service.

13.6 Curtailment of Firm Transmission Service

In the event that a Curtailment on the Transmission Provider's Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the Transmission Provider will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on an equal basis. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. Long-Term Firm Point-To-Point Service subject to conditions described in Section 15.4 shall be curtailed with secondary service, as described in Section 28.4, in cases where the conditions apply, but otherwise will be curtailed on a pro rata basis with other Firm Transmission Service. When the Transmission Provider determines that an electrical emergency exists on its Transmission System and implements emergency procedures to Curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of the Transmission Provider. However, the Transmission Provider reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in the Transmission Provider's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. The Transmission Provider will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

13.7 Classification of Firm Transmission Service

(a) Transmission Customer taking Firm Point-To-Point Transmission Service may: (i) change its Point(s) of Receipt and Point(s) of Delivery to obtain service on a non-firm basis consistent with the terms of Section 22.1; or (ii) request a modification of the Points of Receipt or Delivery on a firm basis pursuant to the terms of Section 22.2.

(b) The Transmission Customer may purchase transmission service to make sales of capacity and energy from multiple generating units that are on the Transmission Provider's Transmission System. For such a purchase of transmission service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant in which case the units would be treated as a single Point of Receipt.

(c) The Transmission Provider shall provide firm deliveries of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Receipt. Points of Receipt and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. Each Point of Delivery at which firm transfer capability is reserved by the Transmission Customer shall be set forth in the Long-Term Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Delivery. Points of Delivery and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. The greater of either: (i) the sum of the capacity reservations at the Point(s) of Receipt; or (ii) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be

billed for its Reserved Capacity, in accordance with the terms of Rate Schedule 01. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 22. In the event that a Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery, the Transmission Customer shall pay to the Transmission Provider the applicable charges payable under Rate Schedule 01, for the amount of capacity that exceeded the firm reserved capacity or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved.

13.8 Scheduling of Firm Point-To-Point Transmission Service

Schedules for the Transmission Customer's Firm Point-To-Point Transmission Service must be submitted to the Transmission Provider no later than 10:00 a.m. or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider of the day prior to commencement of such service. Schedules submitted after 10:00 a.m. will be accommodated, if practicable. Hour-to-hour and intra-hour (four intervals consisting of fifteen minute schedules) schedules of any capacity and energy that is to be delivered must be stated in increments of 1,000 kW per hour or a reasonable increment that is generally accepted in the region and is consistently adhered to by the Transmission Provider. Transmission Customers within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common point of receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider before the start of the next scheduling interval, provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour and intra-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such

schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14. Nature of Non-Firm Point-To-Point Transmission Service

14.1 Term

Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to less than one (1) year. A Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is less than one (1) year subject to the requirements of Section 18.3.

14.2 Reservation Priority

Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned first to requests or reservations with a longer duration of service and second to Pre-Confirmed Applications. In the event the Transmission System is constrained, competing requests of the same Pre-Confirmation status and equal duration will be prioritized based on the highest price offered by the Eligible Customer for the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term request before being preempted. A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request: (i) immediately for hourly Non-Firm Point-To-Point Transmission Service after notification by the Transmission Provider; and (ii) within 24 hours (or earlier if necessary to comply

with the scheduling deadlines provided in Section 14.6) for Non-Firm Point-To-Point Transmission Service other than hourly transactions after notification by the Transmission Provider. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have the lowest reservation priority under the Tariff.

Where the Transmission Provider's business practices establish an earliest time at which requests for Non-Firm Point-to-Point Transmission Service may be submitted, any requests for such service that are submitted within a 5 minute window following such earliest time shall be deemed to have been submitted simultaneously during such window. The otherwise applicable priorities shall apply to the allocation of transfer capability to such requests, except that transfer capability will not be allocated based on a first-come, first-served or chronological basis. To allocate transfer capability amongst requests of equal priority, the Transmission Provider will create a randomly determined pick order from the list of Eligible Customers that have submitted requests within the 5 minute window. In accordance with the pick order, the Transmission Provider will grant one request at a time out of the pool of requests of equal priority until all requests in the pool are granted or all available transfer capability is exhausted.

14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Provider

The Transmission Provider will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales. The Transmission Provider will maintain separate accounting, pursuant to Section 8, for any use of Non-Firm Point-To-Point Transmission Service to make Third-Party Sales.

14.4 Umbrella Agreements

The Transmission Provider shall offer a standard form Umbrella Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service pursuant to the Tariff.

14.5 Classification of Non-Firm Point-To-Point Transmission Service

Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions contained in Part II of the Tariff. The Transmission Provider undertakes no obligation under the Tariff to plan its Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of the Tariff. In the event that a Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its non-firm capacity reservation, the Transmission Customer shall pay to the Transmission Provider the applicable charges payable under Rate Schedule 01 for the amount of capacity that exceeded the non-firm Reserved Capacity. Non-Firm Point-To-Point Transmission Service shall include transmission of energy on an hourly basis and transmission of scheduled short-term capacity and energy on a daily, weekly or monthly basis, to a maximum term if less than one year for any one Application, in accordance with the terms of Rate Schedule 01.

14.6 Scheduling of Non-Firm Point-To-Point Transmission Service

Schedules for Non-Firm Point-To-Point Transmission Service must be submitted to the Transmission Provider no later than 2:00 p.m. or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider of the day prior to commencement of such service. Schedules submitted after 2:00 p.m. will be accommodated, if practicable. Hour-to-hour and intra-hour (four intervals consisting of fifteen minute schedules) schedules of energy that is to be delivered must be stated in increments of 1,000 kW per hour or a reasonable increment

that is generally accepted in the region and is consistently adhered to by the Transmission Provider. Transmission Customers within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their schedules at a common Point of Receipt into units of 1,000 kW per hour. Scheduling changes will be permitted up to twenty (20) minutes or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider before the start of the next scheduling interval, provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour and intra-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14.7 Curtailment or Interruption of Service

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System. The Transmission Provider reserves the right to interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate: (i) a request for Firm Transmission Service; (ii) a request for Non-Firm Point-To-Point Transmission Service of greater duration; (iii) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price; (iv) transmission service for Network Customers from non-designated resources; or (v) transmission service for Firm Point-To-Point Transmission Service during conditional curtailment periods as described in Section 15.4. The Transmission Provider also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or

reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g. hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. The Transmission Provider will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

15. Service Availability

15.1 General Conditions

The Transmission Provider will provide Firm and Non-Firm Point-To-Point Transmission Service over, on or across its Transmission System to any Transmission Customer that has met the requirements of Section 16.

15.2 Determination of Available Transfer Capability

A description of the Transmission Provider's specific methodology for assessing available transfer capability posted on the Transmission Provider's OASIS (Section 4) is contained in Attachment C of the Tariff. In the event sufficient transfer capability may not exist to accommodate a request for Long-Term Firm Service, the Transmission Provider will respond by performing a System Impact Study

15.3 Initiating Service in the Absence of an Executed Service Agreement or Umbrella Agreement

If the Transmission Provider and the Transmission Customer requesting Firm or Non-Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of the Point-To-Point Service Agreement or Umbrella Agreement, the Transmission Provider shall file with the Commission, within thirty (30) Calendar Days after the date the Transmission Customer provides written notification directing the Transmission Provider to file, an unexecuted Point-To-Point Service Agreement or Umbrella Agreement containing terms and conditions deemed appropriate by the Transmission Provider for such requested Transmission Service. The Transmission Provider shall commence providing Transmission Service subject to the Transmission Customer agreeing to: (i) compensate the Transmission Provider at whatever rate the Commission ultimately determines to be just and reasonable; and (ii) comply with the terms and conditions of the Tariff including posting appropriate security deposits in accordance with the terms of Section 17.3.

15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System, Redispatch or Conditional Curtailment

(a) If the Transmission Provider determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will use due diligence to expand or modify its Transmission System to provide the requested Long-Term Firm Transmission Service, consistent with its planning obligations in Attachment K, provided the Transmission Customer agrees to compensate the Transmission Provider for such costs pursuant to the terms of Section 27. The Transmission Provider will conform to Good Utility Practice and its planning obligations in Attachment K, in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that the Transmission Provider has the right to expand or modify.

The Transmission Provider is not obligated under this Tariff to expand or modify its Transmission System to provide Short-Term Firm Point-To-Point Service.

(b) If the Transmission Provider determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will use due diligence to provide redispatch from its own resources until (i) Network Upgrades are completed for the Transmission Customer, (ii) the Transmission Provider determines through a biennial reassessment that it can no longer reliably provide the redispatch, or (iii) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment. The Transmission Provider shall not unreasonably deny self-provided redispatch or redispatch arranged by the Transmission Customer from a third party resource.

(c) If the Transmission Provider determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will offer the Firm Transmission Service with the condition that the Transmission Provider may curtail the service prior to the curtailment of other Firm Transmission Service under specified curtailment conditions. If the Transmission Customer accepts the service, the Transmission Provider will use due diligence to provide the service until (i) Network Upgrades are completed for the Transmission Customer, (ii) the Transmission Provider determines through a biennial reassessment that it can no longer reliably provide such service, or (iii) the Transmission Customer terminates the service because the reassessment increased the curtailment conditions.

15.5 Deferral of Service

The Transmission Provider may defer providing service until it completes construction of new transmission facilities or upgrades needed to provide Long-Term Firm Point-To-Point Transmission Service whenever the Transmission Provider determines that providing the requested service would, without such new facilities or upgrades, impair or degrade reliability to any existing firm services.

15.6 Other Transmission Service Schedules

Eligible Customers receiving transmission service under other agreements on file with the Commission may continue to receive transmission service under those agreements until such time as those agreements may be modified by the Commission.

15.7 Real Power Losses

Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Loss factors are set out in Rate Schedule 10. The Transmission Customer may elect to self-supply losses on its transmission services or to purchase Loss Compensation Service from the Transmission Provider pursuant to its Rate Schedule 09. A Transmission Customer who has elected to purchase Loss Compensation Service from the Transmission Provider will not be able to change its election.

A Transmission Customer who has elected to self-supply transmission losses, must submit a valid loss schedule with each energy schedule associated with its transmission service in accordance with the Transmission Provider's scheduling practices. If the

Transmission Customer fails to submit a valid loss schedule with its energy schedule associated with its transmission reservation in accordance with the Transmission Provider's scheduling practices and

(i) if the Transmission Customer has failed to submit a valid loss schedule with its energy schedule fewer than three times, the Transmission Provider will charge the Transmission Customer for Loss Compensation Service pursuant to its Rate Schedule 09, and inform the Transmission Customer the number of times the Transmission Customer has failed to submit valid loss schedule with its energy schedule; or

(ii) if the Transmission Customer has been notified by the Transmission Provider that the Transmission Customer has failed to submit a valid loss schedule with its energy schedule three times, the Transmission Provider will (a) charge the Transmission Customer for Loss Compensation Service pursuant to its Rate Schedule 09, (b) the Transmission Customer will not be permitted to self supply losses; and (c) the Transmission Provider will notify the Transmission Customer of the commencement date for Loss Compensation Service.

15.8 Open Season

At the Transmission Provider's option, requests for Long-Term Firm Point-To-Point Service may be aggregated, studied, and accommodated together. If the Transmission Provider elects to study requests for long-term service together, all Completed Applications received within a period not to exceed one hundred and eighty (180) Calendar Days (the Open Season Period) will be studied together provided that the Transmission Provider may study a Completed Application separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the service required and the resulting impacts on the system. Notwithstanding the provisions of Section 13.2, but subject to the provisions of (c) below, all Eligible Customers who submit Completed Applications within the Open Season Period shall have equal

reservation priority, behind Completed Applications submitted prior to the Open Season Period and ahead of Completed Applications submitted after the Open Season Period.

The Open Season Period shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Open Season Period shall be announced with a posting on the Transmission Provider's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Open Season Period that is to be modified.

The provisions of Section 19 apply to Completed Applications received within the Open Season Period except as set out in (a), (b) and (c) below.

(a) The costs of the System Impact Study shall be allocated pro rata based on the capacity requested among the Eligible Customers who have submitted Completed Applications within the Open Season Period and the costs of the Facilities Study shall be allocated, pro rata, based on the capacity requested, among those Eligible Customers who subsequently execute a Facilities Study Agreement tendered by the Transmission Provider in accordance with Section 19.4.

(b) Within fifteen (15) Calendar Days of the date on which the Transmission Provider delivers the Facilities Study or, where an Eligible Customer described in Section 15.9 makes an election pursuant to Section 15.9(c), on the first business day after the Transmission Provider has notified each Eligible Customer that has executed a Facilities Study Agreement of the election made, each Eligible Customer that has executed a Facilities Study Agreement shall indicate on OASIS whether it is willing to pay its applicable share of the good faith estimate of costs allocated in accordance with Attachment O, contained in the Facilities Study. Within thirty (30) Calendar Days of the date on which the Transmission Provider delivers the Facilities Study, the Transmission Provider shall tender a Service Agreement to each Eligible Customer that has indicated that it is willing to pay its applicable share of those costs. Each Service Agreement shall be contingent on execution by each other Eligible Customer

receiving a Service Agreement. Each Eligible Customer shall have fifteen (15) Calendar Days to execute its Service Agreement and provide the required letter of credit or other form of security. If any one or more Service Agreements are not executed or security not provided by the expiry of that fifteen-day period, the Transmission Provider shall, within fifteen (15) Calendar Days thereafter, reissue Service Agreements to those Eligible Customers that executed the previous Service Agreement apportioning the costs contained in the Facilities Study among those remaining Eligible Customers. Each of those remaining Eligible Customers shall have fifteen (15) Calendar Days to execute its Service Agreement and provide the required letter of credit or other form of security. If any one or more of those Service Agreements are not executed or security not provided, then the Transmission Provider shall continue to reissue Service Agreements as provided for above until all issued Service Agreements are executed and security provided, or until the last Service Agreement tendered was tendered to a single Eligible Customer.

(c) Subject to 15.9(a) and Attachment M-2, any available transmission capability that can be provided to accommodate a request for service, in whole or in part, without modification or expansion of the Transmission Provider's Transmission System, shall be allocated to Eligible Customers on a first-come, first-serve basis, i.e., in the chronological sequence in which each has reserved service.

15.9 An Eligible Customer that has submitted a Completed Application before the Open Season Period described in Section 15.8 may elect, prior to execution of a Service Agreement or the filing of an unexecuted Service Agreement with respect to the requested Transmission Service, to participate in the Open Season process described in Section 15.8. If such an Eligible Customer elects to participate in the Open Season process, the provisions of Section 15.8 apply to that Eligible Customer as though it had submitted a Completed Application within the Open Season period, except as set out in (a), (b), (c) and (d) below:

(a) Subject to Attachment M-2, the Eligible Customer shall have priority to any available transmission capability to accommodate its request without modification or expansion of the Transmission Provider's Transmission System on a first-come, first-serve basis, i.e., in the chronological sequence in which it requested service before the open season period.

(b) The Facilities Study shall include a good faith estimate of costs allocated to the Eligible Customer in accordance with Attachment O on the basis that (i) the Eligible Customer's request was studied separately in accordance with its reservation priority and (ii) the Eligible Customer's request was studied as part of the Open Season process.

(c) Within fifteen (15) Calendar Days of the date on which the Transmission Provider delivers the Facilities Study, the Eligible Customer shall indicate on OASIS whether it is willing to pay its applicable share of the good faith estimate of costs determined on the basis described in either (b)(i) or (b)(ii) above.

(d) If the Eligible Customer indicates that it is willing to pay its applicable share of costs, as described in (c) above, the Transmission Provider shall, within thirty (30) Calendar Days of the date on which the Transmission Provider delivers the Facilities Study, tender a Service Agreement to the Eligible Customer in accordance with the Eligible Customer's election in (c) above.

16. Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Customers

Point-To-Point Transmission Service shall be provided by the Transmission Provider only if the following conditions are satisfied by the Transmission Customer:

(a) The Transmission Customer has submitted a Completed Application for service;

(b) The Transmission Customer meets the creditworthiness criteria set forth in Appendix L;

(c) The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Transmission Provider prior to the time service under Part II of the Tariff commences;

(d) The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff and provide security for any Network Upgrades in accordance with Attachment O, whether or not the Transmission Customer takes service for the full term of its reservation;

(e) The Transmission Customer provides the information required by the Transmission Provider's planning process established in Attachment K; and,

(f) The Transmission Customer has executed a Point-To-Point Service Agreement or Umbrella Agreement or has agreed to receive service pursuant to Section 15.3.

16.2 Transmission Customer Responsibility for Third-Party Arrangements

Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by the Transmission Provider, notification to the Transmission Provider identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by the Transmission Provider pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However, the Transmission Provider will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

17. Procedures for Arranging Firm Point-To-Point Transmission Service

17.1 Application

A request for Firm Point-To-Point Transmission Service for periods of one year or longer must contain an Application to BC Hydro at least sixty (60) Calendar Days in advance of the calendar month in which service is to commence. The Transmission Provider will consider requests for such firm service on shorter notice when feasible. Requests for firm service for periods of less than one year shall be made pursuant to an executed Umbrella Agreement. Request for Short-Term Firm Point-To-Point transmission service of less than one year shall be submitted no earlier than the number of Calendar Days specified by the Transmission Provider in its Business Practices before service is to commence. All Firm Point-To-Point Transmission Service requests must be submitted by entering the information listed below on the Transmission Provider's OASIS. If the Transmission Provider's OASIS is not functioning, a Completed Application may be submitted by: (i) transmitting the required information to the Transmission Provider by telefax; or (ii) providing the information by telephone over the Transmission Provider's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the priority of the Application.

17.2 Completed Application

A Completed Application shall provide all of the information listed below together with such other information as may be required by the Commission:

(a) The identity, address, telephone number, email address and facsimile number of the entity requesting service;

(b) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(c) The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;

(d) The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. The Transmission Provider will treat this information as confidential except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. The Transmission Provider shall treat this information consistent with its standards of conduct as approved by the Commission;

(e) A description of the supply characteristics of the capacity and energy to be delivered;

(f) An estimate of the capacity and energy expected to be delivered to the Receiving Party;

(g) The Service Commencement Date and the term of the requested Transmission Service;

(h) The transmission capacity requested for each Point of Receipt and each Point of Delivery on the Transmission Provider's Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement;

(i) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service; and,

(j) Any additional information required by the Transmission Provider's planning process established in Attachment K.

The Transmission Provider shall treat this information consistent with its standards of conduct as approved by the Commission.

17.3 Deposit

A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by the Transmission Provider because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a Request For Proposals (RFP), said deposit less any reasonable costs incurred by the Transmission Provider in connection with the review of the losing bidder's Application shall be refunded with interest on the refundable amount. The deposit less any reasonable costs incurred by the Transmission Provider will also be refunded with interest on the refundable amount if the Transmission Provider is unable to complete new facilities needed to provide the service. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for Firm Point-To-Point Transmission Service, the deposit less reasonable costs incurred by the Transmission Provider to the extent such costs have not already been recovered by the Transmission Provider from the Eligible Customer shall be refunded with interest on the refundable amount. The Transmission Provider will provide to the Eligible Customer a complete accounting of all costs deducted from the refunded deposit, which the Eligible Customer may contest if there is a dispute concerning the deducted costs. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest, will be returned to the Transmission Customer upon expiration or termination of the Service Agreement for Firm Point-To-Point Transmission Service. Applicable interest shall be computed at the average prime rate of Transmission Provider's lead bank for the applicable period, and shall be calculated from the day the deposit check is credited

to the Transmission Provider's account based on the refundable amount. Deposits associated with construction of new facilities are subject to the provisions of Section 19.

17.4 Notice of Deficient Application

Subject to Attachment M-2, if an Application fails to meet the requirements of the Tariff, the Transmission Provider shall notify the entity requesting service within fifteen (15) Calendar Days of receipt of the reasons for such failure. The Transmission Provider will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful fifteen (15) Calendar Days after notifying the entity requesting service of the deficiencies, the Transmission Provider shall return the Application, along with any deposit, with interest. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

17.5 Response to a Completed Application

Following receipt of a Completed Application for Firm Point-To-Point Transmission Service, the Transmission Provider shall make a determination of available transfer capability as required in Section 15.2. Subject to Attachment M-2, the Transmission Provider shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) Calendar Days after the date of receipt of a Completed Application either: (i) if it will be able to provide service without performing a System Impact Study; or (ii) if such a study is needed to evaluate the impact of the Application pursuant to Section 19.1. Subject to Attachment M-2, responses by the Transmission Provider must be made as soon as practicable to all completed applications (including applications by its own merchant function) and the timing of such responses must be made on a non-discriminatory basis.

17.6 Execution of Service Agreement

Subject to Attachment M-2, whenever the Transmission Provider determines that a System Impact Study is not required and that the service can be provided, it shall notify the Eligible Customer as soon as practicable but no later than thirty (30) Calendar Days after receipt of the Completed Application. Failure of an Eligible Customer to execute and return the Service Agreement or request the filing of an unexecuted service agreement pursuant to Section 15.3, within fifteen (15) Calendar Days after it is tendered by the Transmission Provider will be deemed a withdrawal and termination of the Application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination. Where a System Impact Study is required, the provisions of Section 19 will govern the execution of a Service Agreement.

17.7 Extensions for Commencement of Service

The Transmission Customer can obtain, subject to availability, up to five (5) one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Transmission Service for each year or fraction thereof within 15 days of notifying the Transmission Provider it intends to extend the commencement of service. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Transmission Service, and such request can be satisfied only by releasing all or part of the Transmission Customer's Reserved Capacity, the original Reserved Capacity will be released unless the following condition is satisfied. Within thirty (30) Calendar Days, the original Transmission Customer agrees to pay the Firm Point-To-Point transmission rate for its Reserved Capacity concurrent with the new Service Commencement Date. In the event the Transmission Customer elects to release the Reserved Capacity, the reservation fees or portions thereof previously paid will be forfeited.

18. Procedures for Arranging Non-Firm Point-To-Point Transmission Service

18.1 Application

Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to the Transmission Provider. Applications must be submitted by entering the information listed below on the Transmission Provider's OASIS. If the Transmission Provider's OASIS is not functioning, a Completed Application may be submitted by: (i) transmitting the required information to the Transmission Provider by telefax; or (ii) providing the information by telephone over the Transmission Provider's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application.

18.2 Completed Application

A Completed Application shall provide all of the information listed below, together with such other information as may be required by the Commission:

(a) The identity, address, telephone number and facsimile number of the entity requesting service;

(b) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(c) The Point(s) of Receipt and the Point(s) of Delivery;

(d) The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and

(e) The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, the Transmission Provider also may ask the Transmission Customer to provide the following:

(f) The electrical location of the initial source of the power to be transmitted pursuant to the Transmission Customer's request for service; and

(g) The electrical location of the ultimate load.

The Transmission Provider will treat this information in (f) and (g) as confidential at the request of the Transmission Customer except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. The Transmission Provider shall treat this information consistent with its standards of conduct as approved by the Commission.

(h) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service.

18.3 Reservation of Non-Firm Point-To-Point Transmission Service

Requests for monthly service shall be submitted no earlier than sixty (60) Calendar Days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen (14) Calendar Days before service is to commence, requests for daily service shall be submitted no earlier than two (2) Working Days before service is to commence, and requests for hourly service shall be submitted no earlier than midnight (12:00 a.m.) the Working Day before service is to commence. Requests for service received later than 2:00 p.m. on the Working Day before service is scheduled to commence will be accommodated if practicable, or such reasonable times that are generally accepted in the region and are consistently adhered to by the Transmission Provider.

18.4 Determination of Available Transfer Capability

Following receipt of a tendered schedule the Transmission Provider will make a determination on a non-discriminatory basis of available transfer capability pursuant to Section 15.2. Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service: (i) thirty (30) minutes for hourly service; (ii) thirty (30) minutes for daily service; (iii) four (4) hours for weekly service; and (iv) two (2) Calendar Days for monthly service, or such reasonable times that are generally accepted in the region and are consistently adhered to by the Transmission Provider.

19. Additional Study Procedures For Long-Term Firm Point-To-Point Transmission Service Requests

19.1 Notice of Need for System Impact Study

After receiving a request for service, the Transmission Provider shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the Transmission Provider's methodology for completing a System Impact Study is provided in Attachment D. Subject to Attachment M-2, if the Transmission Provider determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. Once informed, the Eligible Customer shall timely notify the Transmission Provider if it elects to have the Transmission Provider study redispatch or conditional curtailment as part of the System Impact Study. If notification is provided prior to tender of the System Impact Study Agreement, the Eligible Customer can avoid the costs associated with the study of these options. Subject to Attachment M-2 the Transmission Provider shall within thirty (30) Calendar Days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the

System Impact Study Agreement and return it to the Transmission Provider with a refundable deposit of $50,000 in accordance with Attachment L, within fifteen (15) Calendar Days. If the Eligible Customer elects not to execute the System Impact Study Agreement or not to provide the required deposit in accordance with Attachment L, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned.

19.2 System Impact Study Agreement and Cost Reimbursement

(a) The System Impact Study Agreement will clearly specify the Transmission Provider's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

(b) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for the

Transmission Provider to accommodate the requests for service, the costs of that study shall be pro-rated among the Eligible Customers.

(c) For System Impact Studies that the Transmission Provider conducts on its own behalf, the Transmission Provider shall record the cost of the System Impact Studies pursuant to Section 8.

19.3 System Impact Study Procedures

Upon receipt of an executed System Impact Study Agreement, the Transmission Provider will use due diligence to complete the required System Impact Study within a sixty (60) Calendar Day period. The System Impact Study shall identify (1) any system constraints, (2) redispatch options (when requested by an Eligible Customer) including an estimate of the cost of redispatch, (3) conditional curtailment criteria (when requested by an Eligible Customer), and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within the Transmission Provider's Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If the Transmission Provider possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that the Transmission Provider is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. The Transmission Provider shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a

request to remain a Completed Application, within fifteen (15) Calendar Days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement pursuant to Section 15.3, or the Application shall be deemed terminated and withdrawn.

19.4 Facilities Study Procedures

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, the Transmission Provider, within thirty (30) Calendar Days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it with a refundable deposit of $100,000 in accordance with Attachment L to the Transmission Provider within fifteen (15) Calendar Days. If the Eligible Customer elects not to execute the Facilities Study Agreement or not to provide a deposit in accordance with Attachment L, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned. Upon receipt of an executed Facilities Study Agreement, the Transmission Provider will use due diligence to complete the required Facilities Study within a sixty (60) Calendar Day period. If the Transmission Provider is unable to complete the Facilities Study in the allotted time period, the Transmission Provider shall notify the Transmission Customer and provide an estimate of the time needed to reach a

final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of: (i) the cost of Direct Assignment Facilities to be charged to the Transmission Customer; (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades as determined pursuant to the provisions of Part II of the Tariff; and (iii) the time required to complete such construction and initiate the requested service. As soon as the Facilities Study is complete, the Transmission Provider shall make a copy of the completed Facilities Study available and tender a Service Agreement to the Transmission Customer. The Transmission Customer shall provide the Transmission Provider with a letter of credit or other reasonable form of security acceptable to the Transmission Provider equivalent to the costs of new facilities or upgrades in accordance with Attachment O and consistent with commercial practices as established under the laws of Canada and the Province of British Columbia. After being tendered with a Service Agreement, the Transmission Customer shall have thirty (30) Calendar Days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

19.5 Facilities Study Modifications

Any change in design arising from inability to site or construct facilities as proposed will require development of a revised good faith estimate. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of the Transmission Provider that significantly affect the final cost of new facilities or upgrades to be charged to the Transmission Customer pursuant to the provisions of Part II of the Tariff.

19.6 Due Diligence in Completing New Facilities

The Transmission Provider shall use due diligence to add necessary facilities or upgrade its Transmission System within a reasonable time. The Transmission Provider will not upgrade its existing or planned Transmission System in order to provide the requested Firm Point-To-Point Transmission Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

19.7 Partial Interim Service

If the Transmission Provider determines that it will not have adequate transfer capability to satisfy the full amount of a Completed Application for Firm Point-To-Point Transmission Service, the Transmission Provider nonetheless shall be obligated to offer and provide the portion of the requested Firm Point-To-Point Transmission Service that can be accommodated without addition of any facilities and through redispatch. However, the Transmission Provider shall not be obligated to provide the incremental amount of requested Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the Transmission System until such facilities or upgrades have been placed in service.

19.8 Expedited Procedures for New Facilities

In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting the Transmission Provider to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to compensate the Transmission Provider for all costs incurred pursuant to the terms of the Tariff. In order to exercise this option, the Eligible Customer shall request in writing an expedited Service Agreement covering all of the above-specified items within thirty (30) Calendar Days of receiving the results of the System Impact Study identifying needed facility additions or upgrades or costs incurred in providing the requested service. While the Transmission Provider agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer must agree in writing to compensate the Transmission Provider for all costs incurred pursuant to the provisions of the Tariff. The Eligible Customer shall execute and

return such an Expedited Service Agreement within fifteen (15) Calendar Days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

19.9 Penalties for Failure to Meet Study Deadlines

Sections 19.3 and 19.4 require a Transmission Provider to use due diligence to meet 60 day study completion deadlines for System Impact Studies and Facilities Studies.

(a) The Transmission Provider is required to file a notice with the Commission in the event that more than twenty (20) percent of non-Affiliates' System Impact Studies and Facilities Studies completed by the Transmission Provider in any two consecutive calendar quarters are not completed within the study completion deadlines. Such notice must be filed within thirty (30) days of the end of the calendar quarter triggering the notice requirement.

(b) For the purposes of calculating the percent of non-Affiliates' System Impact Studies and Facilities Studies processed outside of the study completion deadlines, the Transmission Provider shall consider all System Impact Studies and Facilities Studies that it completes for non-Affiliates during the calendar quarter. The percentage should be calculated by dividing the number of those studies which are not completed on time by the total number of completed studies. The Transmission Provider may provide an explanation in its notification filing to the Commission if it believes there are extenuating circumstances that prevented it from meeting the study completion deadlines.

(c) The Transmission Provider is subject to an operational penalty if it completes ten (10) percent or more of non-Affiliates' System Impact Studies and Facilities Studies outside of the study completion deadlines for each of the two calendar quarters immediately following the quarter that triggered its notification filing to the Commission. The operational penalty will be assessed for each calendar quarter for which an operational penalty applies, starting with the calendar quarter immediately following the quarter that triggered the Transmission Provider's notification filing to the Commission. The

operational penalty will continue to be assessed each quarter until the Transmission Provider completes at least ninety (90) percent of all non-Affiliates' System Impact Studies and Facilities Studies within the deadline.

(d) For penalties assessed in accordance with subsection (c) above, the penalty amount for each System Impact Study or Facilities Study shall be equal to $500 for each day the Transmission Provider takes to complete that study beyond the deadline.

20. Procedures if the Transmission Provider is Unable to Complete New Transmission Facilities for Long-Term Firm Point-To-Point Transmission Service

20.1 Delays in Construction of New Facilities

If any event occurs that will materially affect the time for completion of new facilities, or the ability to complete them, the Transmission Provider shall promptly notify the Transmission Customer. In such circumstances, the Transmission Provider shall within thirty (30) Calendar Days of notifying the Transmission Customer of such delays, convene a technical meeting with the Transmission Customer to evaluate the alternatives available to the Transmission Customer. The Transmission Provider also shall make available to the Transmission Customer studies and work papers related to the delay, including all information that is in the possession of the Transmission Provider that is reasonably needed by the Transmission Customer to evaluate any alternatives.

20.2 Alternatives to the Original Facility Additions

When the review process of Section 20.1 determines that one or more alternatives exist to the originally planned construction project, the Transmission Provider shall present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to maintain its Completed Application subject to construction of the alternative facilities, it may request the Transmission Provider to submit a revised Service Agreement for Long-Term Firm Point-To-Point Transmission Service. If the alternative approach solely involves Short-Term Firm or

Non-Firm Point-To-Point Transmission Service, the Transmission Provider shall promptly tender an Umbrella Agreement for Short-Term Firm or Non-Firm Point-To-Point Transmission Service providing for the service. In the event the Transmission Provider concludes that no reasonable alternative exists and the Transmission Customer disagrees, the Transmission Customer may seek relief under the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

20.3 Refund Obligation for Unfinished Facility Additions

If the Transmission Provider and the Transmission Customer mutually agree that no other reasonable alternatives exist and the requested service cannot be provided out of existing capability under the conditions of Part II of the Tariff, the obligation to provide the requested Firm Point-To-Point Transmission Service shall terminate and any refundable deposit made by the Transmission Customer shall be returned with interest calculated at a rate equal to the average prime rate of the Transmission Provider's lead bank for the applicable period. However, the Transmission Customer shall be responsible for all prudently incurred costs by the Transmission Provider through the time construction was suspended.

21. Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities

21.1 Responsibility for Third-Party System Additions

The Transmission Provider shall not be responsible for making arrangements for any necessary engineering, permitting, and construction of transmission or distribution facilities on the system(s) of any other entity or for obtaining any regulatory approval for such facilities. The Transmission Provider will undertake reasonable efforts to assist the Transmission Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

21.2 Coordination of Third-Party System Additions

In circumstances where the need for transmission facilities or upgrades is identified pursuant to the provisions of Part II of the Tariff, and if such upgrades further require the addition of transmission facilities on other systems, the Transmission Provider shall have the right to coordinate construction on its own system with the construction required by others. The Transmission Provider, after consultation with the Transmission Customer and representatives of such other systems, may defer construction of its new transmission facilities, if the new transmission facilities on another system cannot be completed in a timely manner. The Transmission Provider shall notify the Transmission Customer in writing of the basis for any decision to defer construction and the specific problems which must be resolved before it will initiate or resume construction of new facilities. Within sixty (60) Calendar Days of receiving written notification by the Transmission Provider of its intent to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

22. Changes in Service Specifications

22.1 Modifications On a Non-Firm Basis

The Transmission Customer taking Firm Point-To-Point Transmission Service may request the Transmission Provider to provide transmission service on a non-firm basis over Point(s) of Receipt and Point(s) of Delivery other than those specified in the Service Agreement or agreed on pursuant to an Umbrella Agreement (Secondary Receipt and Delivery Points), in amounts not to exceed its firm capacity reservation, without incurring an additional Non-Firm Point-To-Point Transmission Service charge or executing a new Service Agreement or Umbrella Agreement, subject to the following conditions.

(a) Service provided over secondary Points of Receipt and Points of Delivery will be non-firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under the Tariff.

(b) The sum of all Firm and Non-Firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved Capacity in the relevant Service Agreement or agreed on pursuant to an Umbrella Agreement under which such services are provided.

(c) The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Point(s) of Receipt and Point(s) of Delivery specified in the relevant Service Agreement or agreed on pursuant to an Umbrella Agreement in the amount of its original capacity reservation.

(d) Service over secondary Points of Receipt and Points of Delivery on a non-firm basis shall not require the filing of an Application for Non-Firm Point-To-Point Transmission Service under the Tariff. However, all other requirements of Part II of the Tariff (except as to transmission rates) shall apply to transmission service on a non-firm basis over secondary Points of Receipt and Points of Delivery.

22.2 Modification On a Firm Basis

Any request by a Transmission Customer to modify Point(s) of Receipt and Point(s) of Delivery on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement or agreed on pursuant to an Umbrella Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Point(s) of Receipt and Point(s) of Delivery specified in its Service Agreement or agreed on pursuant to an Umbrella Agreement.

23. Sale or Assignment of Transmission Service

23.1 Procedures for Assignment or Transfer of Service

Subject to Commission approval of any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement or Umbrella Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement or Umbrella Agreement is hereafter referred to as the Reseller. Compensation to the Reseller shall not exceed the higher of: (i) the original rate paid by the Reseller; (ii) the Transmission Provider's maximum rate on file at the time of the assignment; or (iii) the Reseller's opportunity cost capped at the Transmission Provider's cost of expansion; provided that compensation to Resellers shall be at rates established by agreement between the Reseller and the Assignee. The Assignee must execute a service agreement with the Transmission Provider governing reassignments of transmission service prior to the date on which the reassigned service commences. The Transmission Provider shall charge the Reseller, as appropriate, at the rate stated in the Reseller's Service Agreement with the Transmission Provider or the associated OASIS schedule and credit the Reseller with the price reflected in the Assignee's Service Agreement with the Transmission Provider or the associated OASIS schedule; provided that, such credit shall be reversed in the event of non-payment by the Assignee. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement or Umbrella Agreement, the Assignee will receive the same services as did the Reseller and the priority of service for the Assignee will be the same as that of the Reseller. The Assignee will be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by the Transmission Provider pursuant to Section 13.2.

23.2 Limitations on Assignment or Transfer of Service

If the Assignee requests a change in the Point(s) of Receipt or Point(s) of Delivery on a firm basis, the request shall be treated as a new request for service in accordance with Section 22.2. If the Assignee requests a change in any other specifications set forth in the original Service Agreement or Umbrella Agreement, the Transmission Provider will consent to such change subject to the provisions of the Tariff, provided that the change will not impair the operation and reliability of the Transmission Provider's generation, transmission or distribution systems. The Assignee shall compensate the Transmission Provider for performing any System Impact Study needed to evaluate the capability of the Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance of all obligations under the Service Agreement or Umbrella Agreement, except as specifically agreed to by the Transmission Provider and the Reseller through an amendment to the Service Agreement or Umbrella Agreement.

23.3 Information on Assignment or Transfer of Service

In accordance with Section 4, all sales or assignments of capacity must be conducted through or otherwise posted on the Transmission Provider's OASIS on or before the date the reassigned service commences and are subject to Section 23.1. Resellers may also use the Transmission Provider's OASIS to post transmission capacity available for resale.

24. Metering and Power Factor Correction at Point(s) of Receipt and Point(s) of Delivery

24.1 Transmission Customer Obligations

Unless otherwise agreed, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under Part II of the Tariff and to

communicate the information to the Transmission Provider. Such equipment shall remain the property of the Transmission Customer.

24.2 Transmission Provider Access to Metering Data

The Transmission Provider shall have access to metering data, which may reasonably be required to facilitate measurements and billing under the Service Agreement.

24.3 Power Factor

Unless otherwise agreed, the Transmission Customer is required to maintain a power factor within the same range as the Transmission Provider pursuant to Good Utility Practices. The power factor requirements are specified in the Service Agreement or Umbrella Agreement where applicable.

25. Compensation for Transmission Service

Rates for Firm and Non-Firm Point-To-Point Transmission Service are provided in Rate Schedule 01. The Transmission Provider shall use Part II of the Tariff to make its Third-Party Sales. The Transmission Provider shall account for such use at the applicable Tariff rates, pursuant to Section 8.

26. Stranded Cost Recovery

The Transmission Provider may seek to recover stranded costs from the Transmission Customer pursuant to this Tariff in accordance with the terms, conditions and procedures approved by the Commission.

27. Compensation for New Facilities and Redispatch Costs

Whenever a System Impact Study performed by the Transmission Provider in connection with the provision of Firm Point-To-Point Transmission Service identifies the need for new facilities, the Transmission Customer shall be responsible for such costs in

accordance with Attachment O. Whenever a System Impact Study performed by the Transmission Provider identifies capacity constraints that may be relieved by generation redispatch, the Transmission Provider shall use commercially reasonable efforts to procure generation resources for such redispatch and the Transmission Customer shall be responsible for the redispatch costs.

PART III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

The Transmission Provider will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff.

28. Nature of Network Integration Transmission Service

28.1 Scope of Service

Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the Transmission Provider's Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3.

28.2 Transmission Provider Responsibilities

The Transmission Provider will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment K in order to provide the Network Customer with Network Integration Transmission Service over the Transmission Provider's Transmission System. The Transmission Provider shall include the Network Customer's Network Load in its

Transmission System planning and shall, consistent with Good Utility Practice and Attachment K, and in accordance with Attachment P, endeavour to construct and place into service sufficient transfer capability to deliver the Network Customer's Network Resources to serve its Network Load.

28.3 Network Integration Transmission Service

The Transmission Provider will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads.

28.4 Secondary Service

The Network Customer may use the Transmission Provider's Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

28.5 Real Power Losses

Real Power Losses are associated with all transmission service. The Network Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Loss factors are set out in Rate Schedule 10.

28.6 Restrictions on Use of Service

The Network Customer shall not use Network Integration Transmission Service for: (i) sales of capacity and energy to non-designated loads; or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of the Transmission Provider's Transmission System. The Transmission Provider shall specify any appropriate charges and penalties and all related terms and conditions applicable in the event that a Network Customer uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load. All related terms and conditions are specified in Attachment Q-2 and Tariff Supplement No. 80 of the Transmission Provider.

29. Initiating Service

29.1 Condition Precedent for Receiving Service

Subject to the terms and conditions of Part III of the Tariff, the Transmission Provider will provide Network Integration Transmission Service to any Eligible Customer, provided that: (i) the Eligible Customer completes an Application for service as provided under Part III of the Tariff; (ii) the Eligible Customer and the Transmission Provider complete the technical arrangements set forth in Sections 29.3 and 29.4; (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or requests in writing that the Transmission Provider file a proposed unexecuted Service Agreement with the Commission; and (iv) the Eligible Customer executes a Network Operating Agreement with the Transmission Provider pursuant to Attachment G.

29.2 Application Procedures

An Eligible Customer requesting service under Part III of the Tariff must submit an Application, which shall include a deposit approximating the charge for one month of service in accordance with Attachment L, to the Transmission Provider as far as possible in advance of the month in which service is to commence. Unless subject to the procedures in Section 2, Completed Applications for Network Integration Transmission Service will be assigned a priority according to the date and time the Application is received, with the earliest Application receiving the highest priority. Applications must be submitted by entering the information listed below on the Transmission Provider's OASIS. If the Transmission Provider's OASIS is not functioning, a Completed Application may be submitted by: (i) transmitting the required information to the Transmission Provider by telefax; or (ii) providing the information by telephone over the Transmission Provider's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application. A Completed Application shall provide all of the information listed below together with such other information as may be required by the Commission:

(a) The identity, address, telephone number, email address and facsimile number of the party requesting service;

(b) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;

(c) A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Transmission Provider substation at the same transmission voltage level. The description should include a ten (10) year forecast of summer and winter load and resource requirements beginning with the first year after the service is scheduled to commence;

(d) The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been interruptible), that portion of the load subject to interruption, the conditions under which an interruption can be implemented and any limitations on the amount and frequency of interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the 10 year load forecast provided in response to (c) above;

(e) A description of Network Resources (current and 10-year projection). For each on-system Network Resource, such description shall include:

i. Unit size and amount of capacity from that unit to be designated as Network Resource

ii. VAR capability (both leading and lagging) of all generators

iii. Operating restrictions

1. Any periods of restricted operations throughout the year

2. Maintenance schedules

3. Minimum loading level of unit

4. Normal operating level of unit

5. Any must-run unit designations required for system reliability or contract reasons

iv. Approximate variable generating cost ($/MWH) for redispatch computations

v. Arrangements governing sale and delivery of power to third parties from generating facilities located in the Transmission Provider Control Area, where only a portion of unit output is designated as a Network Resource;

For each off-system Network Resource, such description shall include:

vi. Identification of the Network Resource as an off-system resource

vii. Amount of power to which the customer has rights

viii. Identification of the control area from which the power will originate

ix. Delivery point(s) to the Transmission Provider's Transmission System

x. Transmission arrangements on the external transmission system(s)

xi. Operating restrictions, if any

1. Any periods of restricted operations throughout the year
2. Maintenance schedules
3. Minimum loading level of unit
4. Normal operating level of unit
5. Any must-run unit designations required for system reliability or contract reasons
6. Approximate variable generating cost ($/MWH) for redispatch computations;

(f) Description of Eligible Customer's transmission system:

i Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by the Transmission Provider

ii. Operating restrictions needed for reliability

iii. Operating guides employed by system operators

iv. Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources

v. Location of Network Resources described in subsection (e) above

vi. 10 year projection of system expansions or upgrades

vii. Transmission System maps that include any proposed expansions or upgrades

viii. Thermal ratings of Eligible Customer's Control Area ties with other Control Areas;

(g) Service Commencement Date and the term of the requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one (1) year;

(h) A statement signed by an authorized officer from or agent of the Network Customer attesting that all of the Network Resources listed pursuant to Section 29.2(e) satisfy the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) the Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis; and

(i) Any additional information required of the Transmission Customer as specified in the Transmission Provider's planning process established in Attachment K.

Subject to Attachment M-2, unless the Parties agree to a different time frame, the Transmission Provider must acknowledge the request within ten (10) Calendar Days of receipt. The acknowledgment must include a date by which a response will be sent to the Eligible Customer. Subject to Attachment M-2, if an Application fails to meet the requirements of this section, the Transmission Provider shall notify the Eligible Customer requesting service within fifteen (15) Calendar Days of receipt and specify the reasons for such failure. Wherever possible, the Transmission Provider will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful fifteen (15) Calendar Days after notifying the Eligible Customer of the deficiencies, the Transmission Provider shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. The Transmission Provider shall treat this information consistent with its standards of conduct as approved by the Commission.

29.3 Technical Arrangements to be Completed Prior to Commencement of Service

Network Integration Transmission Service shall not commence until the Transmission Provider and the Network Customer, or a third party, have completed installation of all equipment specified under the Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. Subject to Attachment M-2, the Transmission Provider shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

29.4 Network Customer Facilities

The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of

each delivery point or interconnection necessary to reliably deliver capacity and energy from the Transmission Provider's Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

30. Network Resources

30.1 Designation of Network Resources

Network Resources shall include all generation owned, purchased or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

30.2 Designation of New Network Resources

The Network Customer may designate a new Network Resource by providing the Transmission Provider with as much advance notice as practicable. A designation of a new Network Resource must be made through the Transmission Provider's OASIS by a request for modification of service pursuant to an Application under Section 29. This request must include a statement that the new network resource satisfies the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a

non-interruptible basis. The Network Customer's request will be deemed deficient if it does not include this statement and the Transmission Provider will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.3 Termination of Network Resources

The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource at any time but should provide notification to the Transmission Provider as soon as reasonably practicable.

30.4 Operation of Network Resources

The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Transmission Provider's Control Area such that the output of those facilities exceeds its designated Network Load, plus Non-Firm Sales delivered pursuant to Part II of the Tariff, plus losses, plus power sales under a reserve sharing program. This limitation shall not apply to changes in the operation of a Transmission Customer's Network Resources at the request of the Transmission Provider to respond to an emergency or other unforeseen condition, which may impair or degrade the reliability of the Transmission System. For all Network Resources not physically connected with the Transmission Provider's Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource's capacity, as specified in the Network Customer's Application pursuant to Section 29, unless the Network Customer supports such delivery within the Transmission Provider's Transmission System by either obtaining Point-to-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. The Transmission Provider shall specify the rate treatment and all related terms and conditions applicable in the event that a Network Customer's schedule at the delivery point for a Network Resource not physically interconnected with the Transmission Provider's Transmission System exceeds the Network Resource's designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service.

30.5 Network Customer Redispatch Obligation

As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by the Transmission Provider pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and the Transmission Provider.

30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With the Transmission Provider

The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with the Transmission Provider's Transmission System. The Transmission Provider will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

30.7 Limitation on Designation of Network Resources

The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff.

30.8 Use of Interface Capacity by the Network Customer

There is no limitation upon a Network Customer's use of the Transmission Provider's Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads.

However, a Network Customer's use of the Transmission Provider's total interface capacity with other transmission systems may not exceed the Network Customer's Load.

30.9 Network Customer Owned Transmission Facilities

The Network Customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of the Transmission Provider to serve its power and transmission customers. For facilities added by the Network Customer subsequent to the date new rate schedules of the Transmission Provider implementing the proposed revisions herein are made effective by the Commission, the Network Customer shall receive credit for such transmission facilities added if such facilities are integrated into the operations of the Transmission Provider's facilities; provided however, the Network Customer's transmission facilities shall be presumed to be integrated if such transmission facilities, if owned by the Transmission Provider, would be eligible for inclusion in the Transmission Provider's annual transmission revenue requirement as specified in Attachment H. Calculation of any credit under this subsection shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

31. Designation of Network Load

31.1 Network Load

The Network Customer must designate the individual Network Loads on whose behalf the Transmission Provider will provide Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

31.2 New Network Loads Connected With the Transmission Provider

The Network Customer shall provide the Transmission Provider with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made by a request for a modification of service pursuant to a new Application under Section 29. The Transmission Provider will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Commission policies.

31.3 Network Load Not Physically Interconnected With the Transmission Provider

This section applies to both initial designation pursuant to Section 31.1 and the subsequent addition of new Network Load not physically interconnected with the Transmission Provider. To the extent that the Network Customer desires to obtain transmission service for a load outside the Transmission Provider's Transmission System, the Network Customer shall have the option of: (i) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load; or (ii) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made by a request for modification of service pursuant to a new Application under Section 29.

31.4 New Interconnection Points

To the extent the Network Customer desires to add a new delivery point or interconnection point between the Transmission Provider's Transmission System and a

Network Load, the Network Customer shall provide the Transmission Provider with as much advance notice as reasonably practicable.

31.5 Changes in Service Requests

Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g. the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by the Transmission Provider and charged to the Network Customer as reflected in the Service Agreement. However, the Transmission Provider must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.

31.6 Annual Load and Resource Information Updates

The Network Customer shall provide the Transmission Provider with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff including, but not limited to, any information provided under section 29.2(i) pursuant to the Transmission Provider's planning process in Attachment K. The Network Customer also shall provide the Transmission Provider with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting the Transmission Provider's ability to provide reliable service.

32. Additional Study Procedures For Network Integration Transmission Service Requests

32.1 Notice of Need for System Impact Study

After receiving a request for service, the Transmission Provider shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the Transmission Provider's methodology for completing a System Impact Study is provided in Attachment D. Subject to Attachment M-2, if the Transmission Provider determines that a System Impact Study is not necessary, the Transmission Provider shall within thirty (30) Calendar Days of receipt of a Completed Application tender a Service Agreement and, within fifteen (15) Calendar Days of the tendering of the Service Agreement, the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn. Subject to Attachment M-2, if the Transmission Provider determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. Subject to Attachment M-2, in such cases, the Transmission Provider shall within thirty (30) Calendar Days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it with a refundable deposit of $50,000 in accordance with Attachment L to the Transmission Provider within fifteen (15) Calendar Days. If the Eligible Customer elects not to execute the System Impact Study Agreement or not to provide the required deposit in accordance with Attachment L, its Application shall be deemed withdrawn and its deposit shall be returned pursuant to Section 17.3.

32.2 System Impact Study Agreement and Cost Reimbursement

(a) The System Impact Study Agreement will clearly specify the Transmission Provider's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

(b) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for the Transmission Provider to accommodate the service requests, the costs of that study shall be pro-rated among the Eligible Customers.

(c) For System Impact Studies that the Transmission Provider conducts on its own behalf, the Transmission Provider shall record the cost of the System Impact Studies pursuant to Section 8.

32.3 System Impact Study Procedures

Upon receipt of an executed System Impact Study Agreement, the Transmission Provider will use due diligence to complete the required System Impact Study within a sixty (60) Calendar Day period or as otherwise agreed to with the Network Customer. The System Impact Study shall identify (1) any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including, to the extent possible, an estimate of the cost of redispatch, (3) available options for installation of automatic devices to curtail service (when requested by an Eligible Customer), and (4) additional Direct Assignment

Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within the Transmission Provider's Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If the Transmission Provider possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that the Transmission Provider is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. The Transmission Provider will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. The Transmission Provider shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) Calendar Days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

32.4 Facilities Study Procedures

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, the Transmission Provider, within thirty (30) Calendar Days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required Facilities Study. For a service request to remain a Completed Application, the

Eligible Customer shall execute the Facilities Study Agreement and return it with a refundable deposit of $100,000 in accordance with Attachment L to the Transmission Provider within fifteen (15) Calendar Days. If the Eligible Customer elects not to execute the Facilities Study Agreement or not to provide the required deposit in accordance with Attachment L, its Application shall be deemed withdrawn and its deposit shall be returned pursuant to Section 17.3. Upon receipt of an executed Facilities Study Agreement, the Transmission Provider will use due diligence to complete the required Facilities Study within a sixty (60) Calendar Day period or as otherwise agreed to with the Network Customer. If the Transmission Provider is unable to complete the Facilities Study in the allotted time period, the Transmission Provider shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of: (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer; (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades; and (iii) the time required to complete such construction and initiate the requested service. As soon as the Facilities Study is complete, the Transmission Provider shall make a copy of the completed Facilities Study available and tender a Service Agreement to the Eligible Customer. The Eligible Customer shall provide the Transmission Provider with a letter of credit or other reasonable form of security acceptable to the Transmission Provider equivalent to the costs of new facilities or upgrades in accordance with Attachment O and consistent with commercial practices as established under the laws of Canada and the Province of British Columbia. After being tendered with a Service Agreement, the Eligible Customer shall have sixty (60) Calendar Days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

32.5 Penalties for Failure to Meet Study Deadlines

Section 19.9 defines penalties that apply for failure to meet the study completion due diligence deadlines for System Impact Studies and Facilities Studies under Part II of the Tariff. These same requirements and penalties apply to service under Part III of the Tariff.

33. Load Shedding and Curtailments

33.1 Procedures

Prior to the Service Commencement Date, the Transmission Provider and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System. The Parties will implement such programs during any period when the Transmission Provider determines that a system contingency exists and such procedures are necessary to alleviate such contingency. The Transmission Provider will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

33.2 Transmission Constraints

During any period when the Transmission Provider determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of the Transmission Provider's system, the Transmission Provider will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the Transmission Provider's system. To the extent the Transmission Provider determines that the reliability of the Transmission System can be maintained by redispatching resources, the Transmission Provider will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate among any Network Customer's use of the Transmission System to serve its designated Network Load.

33.3 Cost Responsibility for Relieving Transmission Constraints

Whenever the Transmission Provider implements least-cost redispatch procedures in response to a transmission constraint, the Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

33.4 Curtailments of Scheduled Deliveries

If a transmission constraint on the Transmission Provider's Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and the Transmission Provider determines that it is necessary to curtail scheduled deliveries, the Parties shall curtail such schedules in accordance with the Network Operating Agreement.

33.5 Allocation of Curtailments

The Transmission Provider shall, on a non-discriminatory basis, curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any curtailment will be shared by the Network Customers in proportion to their respective Load Ratio Shares.

33.6 Load Shedding

To the extent that a system contingency exists on the Transmission Provider's Transmission System and the Transmission Provider determines that it is necessary for the Network Customer to shed load, the Network Customer shall shed load in accordance with previously established procedures under the Network Operating Agreement.

33.7 System Reliability

Notwithstanding any other provisions of this Tariff, the Transmission Provider reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to curtail Network Integration Transmission Service without liability on the Transmission Provider's part for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the Transmission Provider's Transmission System or on any other system(s) directly or indirectly interconnected with the Transmission Provider's Transmission System, the Transmission Provider, consistent with Good Utility Practice, also may curtail Network Integration Transmission Service in order to: (i) limit the extent or damage of the adverse condition(s) or disturbance(s); (ii) prevent damage to generating or transmission facilities; or (iii) expedite restoration of service. The Transmission Provider will give the Network Customer as much advance notice as is practicable in the event of such curtailment. The Transmission Provider shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

34. Rates and Charges

The Network Customer shall pay the Transmission Provider for any Direct Assignment Facilities, Ancillary Services, and applicable study costs pursuant to this Tariff, along with the following:

34.1 Monthly Demand Charge

The Network Customer shall pay a monthly Demand Charge, which shall be determined by multiplying its Load Ratio Share times one twelfth (1/12) of the Transmission Provider's Annual Transmission Revenue Requirement specified in Attachment H.

34.2 Determination of Network Customer's Monthly Network Load

The Network Customer's monthly Network Load is its hourly load expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis (including its designated Network Load not physically interconnected with the Transmission Provider under Section 31.3) coincident with the Transmission Provider's Monthly Transmission System Peak.

34.3 Determination of Transmission Provider's Monthly Transmission System Load

The Transmission Provider's monthly Transmission System load is the Transmission Provider's Monthly Transmission System Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers pursuant to Part II of this Tariff plus the Reserved Capacity of all Firm Point-To-Point Transmission Service customers.

34.4 Redispatch Charge

The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated among the Network Customers pursuant to Section 33. To the extent that the Transmission Provider incurs an obligation to the Network Customer for redispatch costs in accordance with Section 33, such amounts shall be credited against the Network Customer's bill for the applicable month.

34.5 Stranded Cost Recovery

The Transmission Provider may seek to recover stranded costs from the Network Customer pursuant to this Tariff in accordance with the terms, conditions and procedures approved by the Commission.

35. Operating Arrangements

35.1 Operation Under the Network Operating Agreement

The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

35.2 Network Operating Agreement

The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III of the Tariff shall be specified in the Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to: (i) operate and maintain equipment necessary for integrating the Network Customer within the Transmission Provider's Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment); (ii) transfer data between the Transmission Provider and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside the Transmission Provider's Transmission System, interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data); (iii) use software programs required for data links and constraint dispatching; (iv) exchange data on forecasted loads and resources necessary for long-term planning; and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either: (i) operate as a Control Area under applicable reliability standards adopted by the Commission; or (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with the Transmission Provider; or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies applicable

reliability requirements. The Transmission Provider shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

35.3 Network Operating Committee

A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need requires, but no less than once each calendar year.

ATTACHMENT A

Umbrella Agreement for Short-Term Firm or
Non-Firm Point-To-Point Transmission Service

1. This Agreement, dated as of _____, is entered into, by and between _____ (the Transmission Provider, or BC Hydro), and _____ (the Transmission Customer).

2. This Agreement shall come into force upon execution by both Parties. From the time this Agreement comes into force, the Transmission Customer shall be entitled to arrange Short-Term Firm and Short-Term Non-Firm transactions over OASIS without executing a Service Agreement provided that such transactions do not exceed $_____ in any calendar month. BC Hydro reserves the right to consent to larger monthly transactions on a case-by-case basis.

3. Identify any affiliates that own, control or operate any transmission facilities. If there are none, include a sworn statement pursuant to Section 6.0 of Transmission Provider's OATT (the Tariff).

_____

_____

_____

4. Billing and Payment

   4.1 BC Hydro will submit invoices to the Transmission Customer after the end of each month in which transactions were made.

   4.2 Canadian Transmission Customers will be invoiced in Canadian funds. US Transmission Customers will be invoiced in U.S. funds, all using the daily exchange rate as set by the Bank of Canada rate on the last business day of each month in which transactions occurred.

   4.3 Payment shall be remitted in accordance with the terms and conditions of the Tariff.

5. This Agreement shall remain in effect until terminated by either Party on at least thirty (30) Calendar Days written notice to the other. Notwithstanding termination, all commitments, transactions and payment liabilities incurred under this Agreement shall remain until satisfied.

6. Service under this Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission Customer.

7. The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

8. The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Short-Term Firm or Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Agreement.

9. Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

_____

_____

_____

Transmission Customer:

_____

_____

_____

10. Miscellaneous

10.1 This Agreement shall be interpreted in accordance with the laws of the Province of British Columbia.

10.2 This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors.

10.3 This Agreement shall be subject to the Parties obtaining and maintaining any required regulatory approvals.

10.4 The Transmission Customer acknowledges that any index publishing services firms or their respective affiliates that are identified in the Open Access Transmission Tariff, including its schedules and supplements do not sponsor, endorse, sell or promote the purchase or sale of transmission service as outlined in British Columbia Hydro and Power Authority's Open Access Transmission Tariff, and none of them make any representation regarding the advisability of investing in the transmission service offered by British Columbia Hydro and Power Authority thereunder.

11. The signatories hereby represent that they have been appropriately authorized to execute this Agreement on behalf of the Party for whom they sign.

12. The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

ATTACHMENT B

Form of Service Agreement for Long-Term Firm Point-To-Point Transmission Service

1. This Service Agreement, dated as of _____, is entered into, by and between _____ (the Transmission Provider or BC Hydro), and _____ (the Transmission Customer).

2. The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Long-Term Firm Point-To-Point Transmission Service under the Transmission Provider's OATT (the Tariff).

3. The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff or the Transmission Customer has satisfied the Creditworthiness Criteria as set out in Attachment L of the OATT.

4. Service under this agreement shall commence on the later of: (I) the requested service commencement date; or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed; or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.

5. The Transmission Customer acknowledges that, prior to entering this Service Agreement,

(a) the Transmission Provider has determined that at the end of the contract term of this Service Agreement there is **sufficient** capacity to accommodate both the future rollover of this Service Agreement by the Transmission Customer and to provide service to Transmission Customers having earlier priority for transmission service.

(b) the Transmission Provider has determined that at the end of the contract term of this Service Agreement there is **insufficient** capacity to accommodate both the future rollover of this Service Agreement by the Transmission Customer and transmission service to Transmission Customers having earlier priority. Therefore, even if there is

sufficient capacity at the end of the contract term of this Service Agreement, the Transmission Customer has no rollover rights with respect to this Service Agreement.

(c) the Transmission Provider has determined that it is uncertain whether there is sufficient capacity to accommodate the future rollover of this Service Agreement by the Transmission Customer at the end of its contract term. Whether there will be such capacity and whether the Transmission Customer has any rollover rights with respect to this Service Agreement will be determined in accordance with section 9 of this Service Agreement.

[one of (a), (b) or (c) to be retained and the others deleted prior to tender]

6. The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

7. Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

_____

_____

_____

Transmission Customer:

_____

_____

_____

8. No failure by BC Hydro or the Transmission Customer at any time or from time to time to enforce or require a strict observance of any of the provisions of this Service Agreement shall constitute a waiver of the provision or affect or impair such provisions or the right of BC Hydro or the Transmission Customer at any time to enforce such provisions or to avail itself of any remedy it may have.

9. (a) This Service Agreement shall be construed in accordance with the laws of the Province of British Columbia; and

(b) BC Hydro and the Transmission Customer will promptly comply with all relevant laws and regulations and the relevant orders, rules and requirements of all authorities having jurisdiction.

(c) The Transmission Customer acknowledges that any index publishing services firms or their respective affiliates that are identified in the Open Access Transmission Tariff, including its schedules and supplements do not sponsor, endorse, sell or promote the purchase or sale of transmission service as outlined in British Columbia Hydro and Power Authority's Open Access Transmission Tariff, and none of them make any representation regarding the advisability of investing in the transmission service offered by British Columbia Hydro and Power Authority thereunder.

10. Nothing contained in this Service Agreement shall restrict or limit either Party from establishing, altering or terminating interconnection points with any entity not a party to this Service Agreement or amending or entering into such agreements.

11. This Service Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors.

12. The Tariff and the attached Specifications for Long-Term Firm Point-To-Point Transmission Service is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

Specifications For Long-Term Firm Point-To-Point Transmission Service

1. Term of Transaction: _____
   Start Date: _____
   Termination Date: _____

2. Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates.

   _____

3. Point(s) of Receipt: _____
   Delivering Party: _____

4. Point(s) of Delivery: _____
   Receiving Party: _____

5. Maximum amount of capacity and energy to be transmitted (Reserved Capacity):

   _____

6. Designation of party(ies) subject to reciprocal service obligation:

   _____

7. Name(s) of any Intervening Systems providing transmission service:

   _____

   _____

8. Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

   8.1 Transmission Charge:

   _____

   _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge:

8.4 Ancillary Services Charges:

9 Other Provisions

ATTACHMENT B-1

Form of Service Agreement for the Resale, Reassignment, or Transfer of Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of_____, is entered into, by and between _____ (the Transmission Provider), and_____ (the Assignee).

2.0 The Assignee has been determined by the Transmission Provider to be an Eligible Customer under the Tariff pursuant to which the transmission service rights to be transferred were originally obtained.

3.0 The terms and conditions for the transaction entered into under this Service Agreement shall be subject to the terms and conditions of Part II of the Transmission Provider's Tariff, except for those terms and conditions negotiated by the Reseller of the reassigned transmission capacity (pursuant to Section 23.1 of this Tariff) and the Assignee, to include: contract effective and termination dates, the amount of reassigned capacity or energy, point(s) of receipt and delivery. Changes by the Assignee to the Reseller's Points of Receipt and Points of Delivery will be subject to the provisions of Section 23.2 of this Tariff.

4.0 The Transmission Provider shall credit the Reseller for the price reflected in the Assignee's Service Agreement or the associated OASIS schedule.

5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

_____

_____

_____

Assignee:

_____

_____

_____

6.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____ _____ _____

Name Title Date

Assignee:

By: _____ _____ _____

Name Title Date

Specifications for the Resale, Reassignment or Transfer of Long-Term Firm Point-To-Point Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates.

_____

3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of reassigned capacity: _____

6.0 Designation of party(ies) subject to reciprocal service obligation:

_____

_____

_____

_____

7.0 Name(s) of any Intervening Systems providing transmission service:

_____

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge: _____

_____

8.2 System Impact and/or Facilities Study Charge(s): _____

_____

_____

8.3 Direct Assignment Facilities Charge: _____

_____

_____

8.4 Ancillary Services Charges: _____

_____

_____

_____

_____

_____

_____

9.0 Name of Reseller of the reassigned transmission capacity:

_____

Attachment C

Methodology to Assess Available Transfer Capability

This Attachment C outlines the Transmission Service Provider's methodology for determining Available Transfer Capability.

1. Definitions

1.1 Available Transfer Capability *(*ATC*)* – As defined under the Commission approved NERC Glossary of Terms[1].

1.2 Capacity Benefit Margin (CBM) – As defined under the Commission approved NERC Glossary of Terms.

1.3 Native Load - As defined under the Commission approved NERC Glossary of Terms.

1.4 Operating Horizon – The period of time that begins at the end of the Scheduling Horizon and extends through 168 hours.

1.5 Planning Horizon – The period of time that begins at the end of the Operating Horizon and extends through the end of the posting period (current month plus 12 months).

1.6 Scheduling Horizon – The period of time that begins with the current hour and extends out one hour.

1.7 Total Transfer Capability (TTC) – As defined under the Commission approved NERC Glossary of Terms.

[1] NERC Glossary of Terms available under *Compliance Information* at Mandatory Reliability Standards | British Columbia Utilities Commission (bcuc.com).

2. Description of Mathematical Algorithm Used to Calculate Firm and Non-Firm ATC

The Transmission Service Provider uses the Rated System Path Methodology as prescribed in the North American Electric Reliability Corporation (**NERC**) mandatory reliability standard MOD-029-2a - Rated System Path Methodology, as approved by the Commission in British Columbia (or any approved successor standard) (**MOD-029 Standard**) , in the assessment of firm and non-firm ATC for all ATC paths in the Scheduling Horizon, Planning Horizon, and Operating Horizon. ATC is calculated using software which uses variable parameter settings and calculation adjustments to establish formulas for the various firm and non-firm ATCs consistent with the mathematical algorithms used by the Transmission Service Provider.

The mathematical algorithms for firm and non-firm ATC consist of the following formulas:

For Firm ATC (ATC_F)

$$ATC_F = TTC – ETC_F – CBM – TRM + Postbacks_F + Counterflows_F$$

Where:

ATC_F is the firm Available Transfer Capability for the ATC path for that period.

TTC is the Total Transfer Capability of the ATC path for that period.

ETC_F is the sum of existing firm commitments for the ATC path during that period.

CBM is the Capacity Benefit Margin for the ATC path during that period.

TRM is the Transmission Reliability Margin. It is the amount of transmission transfer capability necessary to provide reasonable assurance that the interconnected transmission network will be secure. TRM accounts for the inherent uncertainty in system conditions and the need for operating flexibility to ensure reliable system operation as system conditions change as per the Commission approved NERC Glossary of Terms.

$Postbacks_F$ are changes to firm Available Transfer Capability due to a change in the use of firm Transmission Service for that period, as defined in Business Practices.

$Counterflows_F$ are adjustments to firm Available Transfer Capability as determined by the Transmission Service Provider and specified in their Available Transfer Capability Implementation Document (**ATCID**).[2]

Non-Firm ATC (ATC_{NF})

$$ATC_{NF} = TTC – ETC_F – ETC_{NF} – CBM_S – TRM_U + Postbacks_{NF} + Counterflows_{NF}$$

Where:

ATC_{NF} is the non-firm Available Transfer Capability for the ATC path for that period.

TTC is the Total Transfer Capability of the ATC path for that period.

ETC_F is the sum of existing firm commitments for the ATC path during that period.

ETC_{NF} is the sum of existing non-firm commitments for the ATC path during that period.

CBM_S is the Capacity Benefit Margin for the ATC path that has been scheduled during that period.

TRM_U is the Transmission Reliability Margin for the ATC path that has not been released for sale (unreleased) as non-firm capacity by the Transmission Service Provider during that period

$Postbacks_{NF}$ are changes to non-firm Available Transfer Capability due to a change in the use of Transmission Service for that period, as defined in Business Practices.

[2] ATCID available at: https://www.bchydro.com/energy-in-bc/operations/transmission/transmission-system/atc-methodology.html.

$Counterflows_{NF}$ are adjustments to non-firm Available Transfer Capability ATC as determined by the Transmission Service Provider and specified in its ATCID.

The components of the above formulas are further described in detail in this Attachment C. The specific mathematical algorithms are further described in the Transmission Service Provider's ATCID, Transmission Reliability Margin Implementation Document (**TRMID**)[3] and the TTC/ATC Business Practice webpages posted on bchydro.com.

3. Process Flow Diagram Illustrating ATC and ATC Calculation

ATC calculation is specified in BC Hydro's ATCID. The flow diagram is located at BC Hydro's ATC Methodology webpage on bchydro.com.

4. Description of How Each ATC Component is Calculated for the Operating and Planning Horizons

4.1. Total Transfer Capability (TTC)

4.1.1. Calculation Methodology

When performing the technical studies to determine the TTC for those ATC paths, the Transmission Service Provider will follow the MOD-029 Standard :

a. Power system simulation software is used to model the transmission system, adjust the generation pattern and load levels to determine the TTC (either a maximum flow or reliability limit) that can be simulated on each ATC path while satisfying all mandatory reliability standards in effect in British Columbia (**B.C.**) and BC Hydro planning criteria.

b. TTC will be determined either prior to a new transmission element being brought into service or when a modification to a transmission element would affect the TTC.

[3] TRMID available at: https://www.bchydro.com/energy-in-bc/operations/transmission/transmission-system/atc-methodology.html.

c. Once the TTC determination is made, it remains fixed and changes only if there is a physical or operational change to the transmission system or a transmission component which requires a change to TTC.

d. When either transmission facilities are either jointly owned, or capacity on the ATC path is limited by contract, the TTC will be set at the lesser of the maximum allowable limit based upon the capacity allocated by contract or pursuant to joint ownership arrangements and the reliability limit.

Additional information regarding determination of TTC for special conditions for specific paths may be posted and updated from time to time on the Transmission Service Provider's OASIS.

4.1.2. Databases Used in TTC Assessments

The Transmission Service Provider uses the transmission system model database from the up to date system base cases that are developed annually by WECC for its member use in planning and operating studies. WECC base cases include:

- All contiguous transmission systems within the WECC regional interconnection.
- Initial condition models of system elements are modeled as in service as consistent for the time period and conditions being studied.
- All generation and control system parameters (either a single generator or multiple generators) greater than 20 MVA at the point of interconnection are represented.
- Load is allocated to appropriate buses based on load forecasts developed by the balancing authorities for time period and conditions being studied.
- Transmission and generation facility additions and retirements are represented consistent with the time period represented. Series compensation is modeled at the expected operating level.

- Facility ratings are modeled as provided by the transmission and generator owners for the time period being studied.

- Phase shifters are modeled with automatic controls disabled.

- Special protection systems and/or remedial action schemes are modeled, as appropriate, if they are currently in place or are projected to be implemented within the studied time horizon.

4.1.3. Assumptions Used in TTC Assessments

When performing technical studies to determine the TTC for ATC paths, the Transmission Service Provider will use data and assumptions consistent with the requirements of the MOD-029 Standard. The assumptions used in the studies are further described as follows:

4.1.3.1. Load Levels

TTC is based upon initial system conditions where all transmission elements are modeled as in service consistent for the time period being studied. System conditions affecting TTC, including load levels typical for the posting period (e.g., heavy summer period) determine the starting point for study conditions.

4.1.3.2. Generation Dispatch

Generation resources internal and external to the Transmission Service Provider's service territory are adjusted (within their capabilities) to provide a maximum TTC.

4.1.3.3. Modeling of Planned and Contingency Outages

Values for TTC on all ATC paths are the same for both the Planning and Operating Horizons.

- Power transfers into the BC Hydro service territory are increased until a maximum transfer limit is reached or until a critical contingency with a limiting element is identified

that limits the TTC. System planning performance requirements are defined in Table 1 – Steady State & Stability Performance Planning Events in NERC standard TPL-001-4. System performance for outages must meet the mandatory reliability standards in effect in B.C. and BC Hydro reliability criteria.

- In addition, system performance for planned outages must meet the requirements as outlined in the mandatory reliability standards in effect in B.C. and BC Hydro reliability criteria. Any significant reductions in ATC path capability from the system normal TTC are posted on OASIS as necessary.

4.2. Existing Transmission Capacity

4.2.1. Determination Methodology

Existing transmission commitments can be separated into two categories: firm or non-firm transmission commitments. This distinction defines their impacts on the calculation of firm or non-firm ATC.

4.2.2. Firm Existing Transmission Commitments

The following algorithm is used when calculating firm ETC (**ETC_F**) for all time horizons:

$$ETC_F = NL_F + NITS_F + GF_F + PTP_F + ROR_F + OS_F$$

Where:

NL_F is the firm capacity set aside to serve peak Native Load forecast commitments for the time period being calculated, to include losses, and Native Load growth, not otherwise included in Transmission Reliability Margin or Capacity Benefit Margin.

$NITS_F$ is the firm capacity reserved for Network Integration Transmission Service[4] servicing load, to include losses, and load growth, not otherwise included in TRM and CBM.

GF_F is the firm capacity set aside for grandfathered Transmission Service and contracts for energy and/or Transmission Service, where executed prior to the effective date of the Transmission Service Provider's Open Access Transmission Tariff or "safe harbor tariff".

PTP_F is the firm capacity reserved for confirmed Point-to-Point Transmission Service.

ROR_F is the firm capacity reserved for roll-over rights for contracts granting Transmission Customers[5] the right of first refusal to take or continue to take Transmission Service when the Transmission Customer's Transmission Service contract expires or is eligible for renewal.

OS_F is the firm capacity reserved for any other service(s), contract(s), or agreement(s) not specified above using Firm Transmission Service as specified in the ATCID.

4.2.3. Non-Firm Existing Transmission Commitments

$$ETC_{NF} = NITS_{NF} + GF_{NF} + PTP_{NF} + OS_{NF}$$

Where:

$NITS_{NF}$ is the non-firm capacity set aside for the Network Integration Transmission Service serving load (i.e., secondary service), to include losses, and load growth otherwise not included in TRM and CBM.

[4] Network Integration Transmission Service (**NITS**) - Service that allows an electric transmission customer to integrate, plan, economically dispatch and regulate its network reserves in a manner comparable to that in which the Transmission Owner serves Native Load customers.

[5] Transmission Customers - 1. Any eligible customer (or its designated agent) that can or does execute a Transmission Service agreement or can or does receive Transmission Service. 2. Any of the following entities: Generator Owner, Load-Serving Entity, or Purchasing-Selling Entity.

GF_{NF} is the non-firm capacity set aside for grandfathered Transmission Service and contracts for energy and/or Transmission Service, where executed prior to the effective date of the Transmission Service Provider's Open Access Transmission Tariff or "safe harbor tariff".

PTP_{NF} is the non-firm capacity reserved for confirmed Point-to-Point Transmission Service[6].

OS_{NF} is the non-firm capacity reserved from any other service(s), contract(s), or agreement(s) not specified above using non-firm transmission service as specified in the Transmission Service Provider's ATCID.

4.3. Transmission Reliability Margin

4.3.1. Calculation Methodology

The Transmission Service Provider sets aside certain transmission capacity amounts for the TRM to account for the components of uncertainty of aggregate load forecast, variations in generation dispatch and inertial response and frequency bias, and transmission system topology uncertainty for each ATC path.

The capacity amount set aside to account for the components of uncertainty of aggregate load forecast, variations in generation dispatch and inertial response and frequency bias have been established based on operating experience; they have proven sufficient and effective.

[6] Point-to-Point Transmission Service - The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery.

For calculating ATC_F, the Transmission Service Provider may set aside additional capacity amount to account for transmission system topology uncertainty due to unplanned and forced outages and maintenance outages. The capacity amount required for this component of uncertainty is determined based on applicable system operating orders. For more information, refer to the Transmission Service Provider's TRMID posted on bchydro.com.

4.4. Capacity Benefit Margin

4.4.1. Practice

For information, refer to the Transmission Service Provider's ATCID posted on bchydro.com.

4.5. Counterflows

4.5.1. Practice

Counterflows are determined in the manner described in the Transmission Service Provider's ATCID posted on bchydro.com.

5. Firm Transmission Service on BCHA – AESO Path

Notwithstanding any other provision in this Tariff, the Transmission Service Provider shall limit sales of firm transmission service on the BCHA - AESO path to 480 MW.

ATTACHMENT D

Methodology for Completing a System Impact Study

BC Hydro will perform system planning studies and apply its published planning criteria, standards and procedures to determine the impacts of the requested Transmission Service. The transfer capability of the system will be assessed for the period of the requested service to determine if the requested service can be accommodated. Thermal loading, transient stability, and voltage stability limits will be investigated for normal and outage conditions. If this analysis indicates that the requested Transmission Service cannot be accommodated, then alternative reinforcements will be investigated. A least cost transmission expansion plan will be developed for consideration by BC Hydro and the Transmission Customer and will include but not be limited to the following considerations: technical, economic, reliability, losses, environmental and social. The Transmission Customer can decide whether to proceed, modify, or cancel its request. More details can be found in the BC Hydro System Planning document entitled "Planning Process".

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

ATTACHMENT E

Index of Point-To-Point Transmission Service Customers

Customer	Date of Service Agreement

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

ATTACHMENT F

Form of Service Agreement for
Network Integration Transmission Service

1. This Service Agreement, dated as of _____, is entered into, by and between _____ (the Transmission Provider or BC Hydro), and _____ (the Transmission Customer).

2. The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Network Integration Transmission Service under the Transmission Provider's OATT (the Tariff).

3. The Transmission Customer has provided to the Transmission Provider any Application deposit required under the provisions of Section 29.2 of the Tariff.

4. Service under this agreement shall commence on the later of: (1) the requested service commencement date; or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed; or (3) such other date as it is permitted to become effective by the British Columbia Utilities Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.

5. The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Network Integration Transmission Service in accordance with the provisions of Part III of the Tariff and this Service Agreement.

6. Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

_____

_____

_____

Transmission Customer:

_____

_____

_____

7. No failure by BC Hydro or the Transmission Customer at any time or from time to time to enforce or require a strict observance of any of the provisions of this Service Agreement shall constitute a waiver of the provision or affect or impair such provisions or the right of BC Hydro or the Transmission Customer at any time to enforce such provisions or to avail itself of any remedy it may have.

8. (a) This Service Agreement shall be construed in accordance with the laws of the Province of British Columbia; and

   (b) BC Hydro and the Transmission Customer will promptly comply with all relevant laws and regulations and the relevant orders, rules and requirements of all authorities having jurisdiction.

9. Nothing contained in this Service Agreement shall restrict or limit either Party from establishing, altering or terminating interconnection points with any entity not a party to this Service Agreement or amending or entering into such agreements.

10. This Service Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors.

11. The Network Operating Agreement containing the terms and conditions under which the Transmission Customer will operate its facilities and the technical specifications associated with service under this Service Agreement are hereby incorporated and made part of this Service Agreement as Appendix C.

12. The Tariff and the attached Specifications For Network Integration Transmission Service is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____ _____ _____
Name Title Date

Transmission Customer:

By: _____ _____ _____
Name Title Date

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

Specifications For
Network Integration Transmission Service

1. Term of Transaction: _____
   Start Date: _____
   Termination Date: _____

2. Description of capacity and/or energy to be transmitted by the Transmission Provider across its Transmission System (including electric control area in which the transaction originates).

   _____

3. Network Resources

   (1) Transmission Customer Generation Owned:

Resource	Capacity	Capacity Designated as Network Resources

   (2) Transmission Customer Generation Purchased:

Source	Capacity

   (3) Total Network Resources: (1) + (2) =

4. Network Load:

Network Load	Transmission Voltage Level

5. Point(s) of Interconnection:

   _____
   _____

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

6. Point(s) of Delivery:

_____

Delivering Party:

_____

7. Designation of Party subject to reciprocal service obligation:

_____

_____

8. Name(s) of any Intervening Systems providing transmission service:

_____

_____

ATTACHMENT G

Network Operating Agreement

This Network Operating Agreement (the Agreement), is made and entered into this _____ day of _____, 2__, by and between __(Customer)__ (hereinafter referred to as the Transmission Customer) and BC Hydro. The Transmission Customer and BC Hydro hereinafter are sometimes referred to individually as "Party" and collectively as "Parties", as the context suggests below.

In consideration of the promises and mutual covenants and agreements herein contained, the Parties do agree as follows:

1. Definitions

Unless otherwise specified herein, capitalized terms shall refer to terms defined in the Transmission Provider's OATT (the Tariff). When the terms Load Responsibility, Regulating Margin, Most Severe Single Contingency (MSSC), Supplemental Reserves, Operating Reserves, and Spinning Reserves are used in this Agreement, the WECC definitions of those terms apply.

2. Purpose of Agreement

BC Hydro and the Transmission Customer agree that the provisions of this Agreement and the Network Service Agreement for Network Integration Service govern BC Hydro's provision of Transmission Service to the Network Customer. This Agreement requires the Parties to:

2.1 Operate and maintain equipment necessary for incorporating the Transmission Customer within BC Hydro's Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment);

2.2 Transfer data (including but not limited to, heat rates, fuel costs, and operational characteristics of Network Resources, generation schedules for Network Resources, interchange schedules, unit outputs for redispatch required under Part III of the Tariff, voltage schedules, flows of real and reactive power, loss factors, switch status, breaker status, MW/MVAR flow on lines, bus voltages, transformer taps and other SCADA and real time data) between their respective control centers;

2.3 Use software programs required for data links and constraint dispatching;

2.4 Exchange data on forecasted load and resources necessary for planning and operation; and

2.5 Address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocol.

3. Integration and Control Area Requirements

The Transmission Customer shall:

(a) Provide all Ancillary Services itself, including those necessary to operate as a control area under applicable guidelines of the North American-Electric Reliability Council (NERC), the Western Electricity Coordinating Council (WECC) and the Northwest Power Pool (NWPP); or

(b) Satisfy its control area requirements, including all Ancillary Services, by contracting with BC Hydro; or

(c) Satisfy its control area requirements, including all Ancillary Services, by contracting with another entity which can satisfy those requirements in a manner that is consistent with Good Utility Practice and satisfies NERC, WECC and NWPP standards.

The Transmission Customer shall plan, construct, operate and maintain its facilities and system in accordance with Good Utility Practice, which shall include, but not be limited to, all applicable reliability standards as approved by the BCUC, all applicable guidelines of NERC, WECC and NWPP, as they may be modified from time to time, and any generally accepted practices in the region. This Agreement will be revised as necessary to incorporate changes to BC Hydro Control Area requirements.

4. Network Operating Committee

4.1 Membership - The Network Operating Committee shall be composed of representatives from the Transmission Customers taking service under Part III of the Tariff and BC Hydro, or their Designated Agents.

4.2 Responsibilities - The Network Operating Committee shall:

(a) Adopt rules and procedures consistent with this Agreement and the Tariff governing operating and technical requirements necessary for implementation of the Tariff;

(b) Review Network Resources and Network Loads on an annual basis in order to assess the adequacy of the transmission network; and

(c) Obtain from BC Hydro its operating policies, procedures and guidelines for network interconnection and operation.

5. Regulation and Frequency Response

The Transmission Customer shall meet its proportional share of Regulating Margin by either:

(a) Purchasing Regulation and Frequency Response Services from BC Hydro pursuant to its Rate Schedule 05; or

(b) Contributing or arranging to have a third party contribute generating resources to meet the Regulating Margin requirement for the current year as follows:

Regulating Margin Requirement = Transmission Customer's maximum Network Load in the previous year x 2%

A Transmission Customer that meets its proportional share of Regulating Margin by alternative (b) above shall also meet the requirements of Section 16 below.

6. Operating Reserve

6.1 The Transmission Customer shall meet its share of the Control Area's Operating Reserve requirements by either:

(a) Purchasing Operating Reserve Services from BC Hydro pursuant to Rate Schedules 07 and 08 or

(b) Providing or arranging to have a third party provide the Operating Reserve requirement.

A Transmission Customer that meets its share of the Control Area's Operating Reserve requirement by alternative (b) above shall also meet the requirements of Section 16 below. The Operating Reserve requirement is as specified by the applicable reliability standards as approved by the BCUC, and implemented by BC Hydro. In as much as BC Hydro is obligated to meet WECC's and NWPP's requirements, as they may be modified from time to time including the applicable BCUC approved Mandatory Reliability Standards, the Transmission Customer recognizes and agrees that its proportional share of the Operating Reserve requirement may change to reflect WECC and NWPP modifications.

6.2 In order to facilitate the use of Operating Reserve, the Transmission Customer that meets its share of the Control Area's Operating Reserve requirement by alternative 6.1(b) shall have available unloaded reserved firm transmission capacity at least equal to that Operating Reserve amount. Such transmission may be loaded with interruptible energy so that, upon interruption of the energy, Transmission Service is available to replace such energy from the Operating Reserve.

In addition, the Transmission Customer shall restore Operating Reserve to the required level as promptly as practicable, but shall not exceed sixty (60) minutes from the time of the event necessitating the loading of the reserve.

7. Redispatch To Manage Transmission System Constraints

If BC Hydro determines that the redispatch of Network Resources (including reductions in purchases from outside of BC Hydro Control Area) to relieve an existing or potential Transmission System constraint is the most effective way to ensure the reliable operation of the Transmission System, BC Hydro will redispatch its and the Transmission Customer's Network Resources on a least-cost basis, without regard to the ownership of such resources. BC Hydro will apprise the Transmission Customer of its redispatch practices and procedures, as they may be modified from time to time.

The Transmission Customer will submit verifiable incremental and decremental cost data for its Network Resources, which estimates the cost to the Transmission Customer of changing the generation output of each of its Network Resources, to BC Hydro when submitting its preschedules. These costs will be used, along with similar data for any other Network Customers' resources, as the basis for least-cost redispatch for the next day's operations (or the next day's operations if the preschedule is submitted on a Friday or the day before a holiday). BC Hydro will keep these data confidential. If the Transmission Customer experiences changes to its costs during the following day, the Transmission Customer must submit those changes to BC Hydro's control centre. BC Hydro will implement least-cost redispatch consistent with its existing contractual obligations and its current practices and procedures for its own resources. The Transmission Customer is obligated to respond immediately to requests for redispatch from BC Hydro's control centre. The Transmission Customer may audit particular redispatch events at its own expense, during normal business hours following reasonable notice to BC Hydro. If such audit shows that Transmission Customer's resources have been redispatched in preference to lower cost alternatives for other than emergency reasons, the cost of the audit shall be borne by BC Hydro. Either the Transmission Customer or BC Hydro may request an audit of the other Party's cost data by an independent agent at the requester's cost.

8. Curtailability

BC Hydro reserves the right to curtail all or part of Transmission Service due to conditions which physically cause a reduction in the transmission path(s). Such conditions include, but are not limited to, forced outages of one or more elements of the transmission path, nomogram restrictions, and unscheduled loop flows.

Whenever possible and consistent with Good Utility Practice, loads will be curtailed based on load ratio share. When such conditions no longer restrict the capability of the transmission path, Network Integration Transmission Service will be resumed.

9. Maintenance of Facilities

9.1 The Network Operating Committee shall establish procedures to coordinate the maintenance schedules of the generating resources and transmission and substation facilities, to the greatest extent practical, to ensure sufficient transmission resources are available to maintain system reliability and reliability of service. By 1 December of each year, the Transmission Customer shall provide to BC Hydro the maintenance schedules and planned outages of each Network Resource for the next year and update the information at least thirty (30) days in advance of the date specified for the forecasted maintenance outage. Such information shall include, but not be limited to, the expected time the unit will be separated from the system and the time at which the unit is available for:

(a) Synchronizing parallel operation;

(b) Loading; and

(c) If applicable, to be put on automatic generation control.

9.2 The Transmission Customer shall obtain:

(a) Concurrence from BC Hydro, at least seventy-two (72) hours before beginning any scheduled maintenance of its facilities; and

(b) Clearance from BC Hydro when the Transmission Customer is ready to begin maintenance on a Network Resource, transmission line, or substation (operated at 60 kilovolt and above).

The Transmission Customer shall immediately notify BC Hydro at the time when unscheduled or forced outages end. The Transmission Customer shall notify and coordinate with BC Hydro prior to reparalleling the Network Resource, transmission line, or substation.

9.3 Maintenance schedules will be posted on an electronic bulletin board.

10. Load Shedding

10.1 The Parties shall implement load shedding programs to maintain the reliability and integrity of the Control Area, as provided in Section 29 of the Tariff. Load shedding shall include:

(a) Automatic load shedding;

(b) Manual load shedding; and

(c) Rotating interruption of customer load.

BC Hydro will order load shedding to maintain the relative sizes of load served, unless otherwise required by circumstances beyond the control of BC Hydro or the Transmission Customer. Automatic load shedding devices will operate without notice. When manual load shedding or rotating interruptions are necessary, BC Hydro shall notify the Transmission Customer's dispatchers or schedulers of the required action and the Transmission Customer shall comply immediately.

10.2 The Transmission Customer shall, at its own expense, provide, operate and maintain in service high-speed digital under frequency load-shedding equipment. The Transmission Customer's equipment shall be:

(a) Compatible and coordinated with the Transmission System load shedding equipment; and

(b) Set for the amount of load to be shed with frequency trips and tripping time consistent with BC Hydro requirements.

In the event BC Hydro modifies the load-shedding system, the Transmission Customer shall, at its expense, make changes to the equipment and setting of such equipment, as required. The Transmission Customer shall test and inspect the load-shedding equipment within 90 days of taking Long Term Service under the Tariff and at least once each year thereafter and provide a written report to BC Hydro. BC Hydro may request a test of the load-shedding equipment with reasonable notice.

11. Recognition of Power and Energy Flow

11.1 The Parties recognize that:

(a) BC Hydro's Transmission System is, and will be, directly or indirectly interconnected with Transmission Systems owned or operated by others;

(b) The flow of power and energy between such systems will be controlled by the physical and electrical characteristics of the facilities involved and the manner in which they are operated; and

(c) Part of the power and energy being delivered under this Agreement may flow through such other systems rather than through the facilities of BC Hydro.

The Network Operating Committee shall, from time to time as necessary, determine methods and take reasonably appropriate action to assure maximum delivery of power and energy at the points of receipt and delivery and at such additional or alternate points of receipt and delivery as may be established by the Parties.

11.2 Each Party will at all times cooperate with other interconnected systems in establishing arrangements or mitigation measures to minimize operational impacts on each other's systems.

11.3 Each Party recognizes that a Party's proposed new interconnection or modification of an existing interconnection between that Party's system and the system of a third party, may cause adverse anticipated effects on the system of the other Party. The Party making such interconnection or modification shall minimize, or otherwise compensate for, adverse operational effects to the other Party's system.

12. Service Conditions

The Parties recognize that operating and technical problems may arise in the control of the frequency and in the flow of real and reactive power over the interconnected Transmission Systems. The Network Operating Committee may adopt operating rules and procedures as necessary to assure that, as completely as practical, the delivery and receipt of real and reactive power and energy hereunder shall be accomplished in a manner that causes the least interference with such interconnected systems.

A Transmission Customer interconnecting with BC Hydro's Transmission System is obligated to follow the same practices and procedures for interconnection and operation that BC Hydro uses for other Network Customer load and resources.

Where the Transmission Customer purchases Ancillary Services from third parties, the Transmission Customer shall have the responsibility to secure contractual arrangements with such third parties that are consistent with the Tariff, this Agreement and any applicable rules and procedures of the Network Operating Committee.

13. Data, Information and Reports

13.1 The Transmission Customer shall, upon request, provide BC Hydro with such reports and information concerning its network operation as are reasonably necessary to enable BC Hydro to operate its Transmission System adequately.

13.2 Scheduling hourly transactions from outside of BC Hydro Control Area, in whole megawatts, are prescheduled by voice or fax or electronically. Schedules can be changed no later than 20 minutes (or a reasonable time that is generally accepted

in the region and is consistently adhered to by the Transmission Provider) before the schedules go into effect.

The Transmission Customer shall notify BC Hydro of intended imports into the Control Area for the next normal business day(s) by voice or electronically no later than 10:00 a.m. (or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider) on the day prior. No later than

2:00 p.m. (or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider) of each normal business day, the Transmission Customer shall finalize import preschedules by voice or fax or electronically. Such preschedules and forecasts shall include, as applicable:

(a) Each import into or export out of the Control Area;

(b) Each power purchase and sale from within the Control Area;

(c) Losses;

(d) Generation from each Network Resource;

(e) Network Load at each point designated in Section 4 of the Specifications For Network Integration Transmission Service attached to the Service Agreement;

(f) Regulation and Frequency Response requirement;

(g) Spinning or Supplemental Reserve from each Network Resource;

(h) Spinning or Supplemental Reserve purchase from BC Hydro or each third party;

(i) The Transmission Customer's MSSC;

(j) Available capacity from each Network Resource;

(k) Transmission Service associated with each preschedule and forecast;

(l) Incremental and decremental cost data for Network Resources; and

(m) Other information, as required by BC Hydro.

13.3 Annual Forecast - By 15 September of each year, the Transmission Customer shall update its load and resource forecast by providing BC Hydro with a non-binding forecast in a format specified by BC Hydro.

13.4 Monthly Forecast - Five (5) days before the end of the month, the Transmission Customer shall update the forecast for the following month specifying purchase, generation, maximum demand, total monthly energy and Operating Reserve Services from BC Hydro or a third party.

13.5 The Transmission Customer shall telemeter to BC Hydro information including but not limited to watts, vars, generator status, generator breaker status, generator terminal voltage and high side transformer voltage, unless otherwise agreed.

13.6 The Transmission Customer shall provide generating resource characteristics to BC Hydro as necessary to implement redispatch and constraint and reserve management.

14. Metering

14.1 Unless otherwise agreed the Transmission Customer shall be responsible for the cost of installing and maintaining revenue meters and communication equipment compatible with BC Hydro's meter reading system and facility standards. Revenue quality metering equipment and meters shall be installed at the high voltage bus at each point of interconnection between the Transmission Customer's facility and BC Hydro's system. The meters shall measure and record both real power (watts) and reactive power (vars) flow and line losses, if applicable, in both directions. Meters not installed at the high voltage bus or at the point of interconnection shall be adjusted for losses.

14.2 BC Hydro shall read or retrieve meter data on the first work day after the end of each billing cycle or such other date as may be required to carry out the provision of this Tariff. BC Hydro shall process the meter data and determine energy imbalances, accounting and billing using such meter data.

14.3 The meter owner shall test revenue meters for power deliveries made at 60kV and above at least once a year and within 10 business days after a request by the other Party. The other Party will be afforded the opportunity to be present during the meter test. For meters owned by BC Hydro, the Transmission Customer may request a meter test by calling the designated customer account representative of BC Hydro and shall pay for the cost of the requested test if the meter has been tested within the previous 12 months. The Parties present at the meter test shall estimate the amount of capacity and energy created during the meter test. The meter owner shall immediately repair, adjust or replace any meter or associated equipment found to be defective or inaccurate. An inaccurate meter is a meter that exceeds 2% of the calibrated standards.

14.4 BC Hydro shall adjust the recorded data to compensate for the effect of an inaccurate meter. Such adjustment shall be made for a maximum period of 30 days prior to the date of the test or to the period during which such inaccuracy may be determined to have existed, whichever period is shorter. No adjustment prior to the beginning of the next preceding month shall be made except by agreement of the Parties. Should any meter fail to register, BC Hydro shall estimate, from the best information available, the demand created, energy flow and var flows during the period of the failure. BC Hydro shall, as soon as possible, correct the Transmission Customer's bills affected by the inaccurate meter. That correction, when made, shall constitute full adjustment of any claim arising out of the inaccurate meter for the period of the correction.

15. Communications

15.1 The Transmission Customer shall, at its own expense, install and maintain a voice communication link for scheduling.

15.2 A Transmission Customer contributing to Regulation and Frequency Response requirement and Operating Reserve requirements or securing the requirements from a third party shall, at its own expense, install and maintain telemetry equipment communicating between the generating resource and BC Hydro.

16. Requirements to Contribute to System Regulation and Operating Reserve

The Transmission Customer who is not purchasing Regulation and Frequency Response and Operating Reserve Services from BC Hydro shall operate its generating resources in a manner similar to that of BC Hydro including following voltage schedules, free governor response, meeting power factor requirements at the point of interconnection with BC Hydro's system, and such other criteria as may be developed by BC Hydro or the Network Operating Committee. The Transmission Customer shall pay the cost of modification of BC Hydro's computer hardware and software to accommodate the Transmission Customer's contribution to Regulation and Frequency Response requirement and Operating Reserve. Any resources used by the Transmission Customer to meet its proportional share, whether the Transmission Customer's Network Resources or a third party's generating resources, shall meet the same requirements as BC Hydro's generating resources used to meet the Regulation and Frequency Response requirement and Operating Reserve requirements, including but not limited to, automatic generation control capability, ramp rate, and governor response, and are subjected to random testing, and if applicable, a monthly start-up test.

17. Assignment

This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, but shall not be assigned by either Party, except to successors to all or substantially all of the electric properties and assets of such Party, without the written consent of the other Party.

18. Notice

Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated in the Network Service Agreement. This agreement is attached thereto as Appendix C.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials.

BC HYDRO		(TRANSMISSION CUSTOMER)	
By:	_____	By:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

ACCEPTED: JAN 17 2011

ORDER NO. G 192 10

COMMISSION SECRETARY

ATTACHMENT H

Annual Transmission Revenue Requirement
for Network Integration Transmission Service

1. The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall be $1,057,404,000.

2. The amount in (1) shall be effective until amended by the Transmission Provider or modified by the Commission.

Effective April 1, 2025, this rate schedule is approved.

ATTACHMENT I

Index of Network Integration Transmission Service Customers

Customer	Date of Service Agreement

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

ATTACHMENT J

Procedures for Addressing Parallel Flows

Reserved

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

ATTACHMENT K

Transmission Planning Process

1. Purpose and Description of the Planning Process

The purpose of this Attachment K is to support open and non-discriminatory access to the Transmission System. For greater certainty, Attachment K does not preclude further public and First Nations consultation in relation to planning, as appropriate or required.

This Attachment K describes a process to be followed for each of the Transmission Provider's three forms of transmission planning activities as set out below. Each transmission planning activity will include the generic planning elements described in this Attachment K as part of the broader planning requirements of the activity. Specifically, each planning activity will be initiated through notification to Interested Parties and will include the open and transparent development of the scope of transmission planning studies leading to the establishment of a set of Projects comprising the Transmission Plan. In its application, the planning process may vary depending on the needs and objectives of the specific transmission planning activity being undertaken. The Transmission Provider's planning activities may be mandated by provincial legislation or driven by corporate planning needs from year to year.

There are three forms of transmission planning activities that the Transmission Provider undertakes as required:

(a) Long-term Planning: The first form of transmission planning occurs within the framework of the Transmission Provider's long-term planning. This activity provides a long-term plan relating to bulk Transmission System needs; i.e. typically those facilities at the highest voltage levels that are required to move energy over long distances. While focused at the bulk level, long-term planning considers a wide range of supply-side and demand-side options, resulting in an integrated system plan.

(b) Transmission Capital Planning: A second form of transmission planning is informed by the results of long-term planning and periodically assesses the Transmission System requirements over a shorter planning horizon. This transmission capital planning activity serves to identify the capital requirements necessary to fund Transmission System enhancements at all transmission voltage levels, as well as to meet the NERC transmission planning mandatory reliability standards as adopted in British Columbia by the Commission.

(c) Regional Planning: A third form of transmission planning includes consideration of other transmission owners that have an interest in transmission development undertaken within British Columbia. This is expected to take place through the framework of BCCPG and WECC. Within British Columbia, the BCCPG enables coordination, and where appropriate, integration of the transmission planning functions of its members. Outside of British Columbia, the BCCPG represents the interests of its members through participation in WECC planning groups, committees and subcommittees.

None of the three planning activities in Sections 1(a), (b), (c) guarantee Transmission Service. A Transmission Service request must be made separately by an Eligible Customer under the relevant provisions of the Tariff. This Attachment K does not place obligations on the Transmission Provider to construct upgrades or facilities identified in a study or in its Transmission Plan. This Attachment K supports, but does not replace the Transmission Provider's construction-related obligations in other portions of the Tariff. Point-to-Point Transmission Service, Network Integration Transmission Service and Interconnection Service requests are governed by and studied in accordance with other portions of the Tariff. Where possible, these study processes will be incorporated into the transmission planning activities described in this Attachment K.

2. Definitions

BCCPG means the British Columbia Coordinated Planning Group or successor organization.

Contingency Resource Plan has the same meaning as in Attachment P of the Tariff.

Economic Planning Studies means studies undertaken by the Transmission Provider with respect of economic upgrades such as congestion reduction or the integration of new resources.

FERC means the United States Federal Energy Regulatory Commission.

Focus Group means a group of Interested Parties that are brought together under a common theme, subject, topic, or aspect of a transmission planning activity leading to the development of a Transmission Plan.

In-Service Date has the same meaning as in Attachment M-1 of the Tariff.

Interconnection Customer has the same meaning as in Attachment M-1 of the Tariff.

Interconnection Service has the same meaning as in Attachment M-1 of the Tariff.

Interested Party means any person affected by the planning process described in this Attachment K, such as a transmission customer, interconnection customer, or neighbouring transmission provider.

NERC means the North American Electric Reliability Corporation.

Planning Manual means the documentation produced and updated from time to time by the Transmission Provider that describes the basic methodology, criteria and assumptions used by the Transmission Provider in the transmission planning process.

Point of Contact means the contact designated by the Transmission Provider to whom all information and inquiries related to the planning activities described in this Attachment K should be directed.

Project means a capital project or concept for a capital project to expand the capability of the Transmission System to meet potential requirements and opportunities.

Public Policy Requirements means requirements established by enacted federal or provincial statutes or regulations.

Tariff means the Transmission Provider's Open Access Transmission Tariff.

Transmission Plan means the outline of one or more Projects that meet the needs identified in the study plan developed pursuant to Section 5 of this Attachment K.

Transmission Planning Meeting means a meeting to provide information and to solicit input from Interested Parties on the Transmission Provider's planning activities.

WECC means the Western Electricity Coordinating Council.

3. Information Exchange

Throughout each transmission planning activity undertaken by the Transmission Provider, the Transmission Provider will ensure that there are opportunities for information exchange between the Transmission Provider and Interested Parties. The opportunities provided for information exchange in a particular planning activity will be dependent on the nature of the specific planning activity being undertaken and will be determined by the Transmission Provider. The requirements and timelines for information exchange opportunities will be posted to the Transmission Provider's public website.

3.1 Point of Contact

The Transmission Provider will designate a Point of Contact for each planning activity and will post the Point of Contact including contact details on the Transmission Provider's public website. The Point of Contact will maintain a comprehensive mailing list of Interested Parties. All information and inquiries related to the planning activities described in this Attachment K should be directed to the Point of Contact.

3.2 Interested Party - Options for Providing Input

The Transmission Provider may use one or more of the mechanisms in section 3.2.1, 3.2.2 and 3.2.3 for obtaining input from Interested Parties in a transmission planning activity.

3.2.1 Written Comment Periods

The Transmission Provider may establish a comment period through which it will take into account the written comments of Interested Parties with respect to a particular phase of a planning activity. The requirements and timelines for providing written comments to the Point of Contact will be made available through the Transmission Provider's public website.

3.2.2 Transmission Planning Meetings

The Transmission Provider may hold a Transmission Planning Meeting with Interested Parties with respect to a particular phase of a planning activity. The timing and agenda of any Transmission Planning Meeting will be made available through the Transmission Provider's public website.

3.2.3 Focus Groups

The Transmission Provider will engage Focus Groups where appropriate. Where Focus Groups are engaged, the Transmission Provider will post their terms of reference and schedule on the Transmission Provider's public website.

3.3 Use of Feedback Received

The Transmission provider will post input received from Interested Parties, or summaries of such input where appropriate, to its public website. The Transmission Provider will consider the input received from Interested Parties and may update the transmission planning documentation to reflect such input. Any such updates will be at the discretion of the Transmission Provider. The Transmission Provider will post the revised documents on its public website.

3.4 Guidelines for Submission of Planning Information

The Transmission Provider will establish guidelines regarding the format, schedule and procedure for the submission of planning information to the Transmission Provider in accordance with Section 4 of this Attachment K. The guidelines will be posted on the Transmission Provider's public website and will address how and when customer planning information and requests for Economic Planning Studies are to be submitted and how Economic Planning Studies are to be evaluated.

3.5 Availability of Planning Information

Subject to the need to protect confidential or security sensitive information, the Transmission Provider will post on an ongoing basis the following on its public website:

(a) the Transmission Provider's Planning Manual;

(b) the Transmission Provider's current Transmission Plan;

(c) the status of network upgrades for Projects in progress;

(d) information received from Interested Parties throughout the course of the planning process; and,

(e) planning information developed in the course of the planning process, including: circulated draft and final study and Transmission Plans, minutes of meetings and customer comments.

Subject to the need to protect confidential information or security sensitive information, the Transmission Provider may also post other information the Transmission Provider considers relevant to the planning process, including information received from advisory groups, regional planning groups, and local and regional studies.

3.6 Inquiries

At any time, Interested Parties may direct inquiries related to the transmission planning process to the Point of Contact identified on the Transmission Provider's public website. The Point of Contact will respond to such inquiries as deemed appropriate by the Transmission Provider.

4. Initiation of a Planning Activity

The Transmission Provider will announce the initiation of a planning activity via electronic mail to Interested Parties and on its public website. The announcement will include:

(a) a description of the planning activity being undertaken, including anticipated milestones and schedule;

(b) instructions on how to access the Transmission Provider's planning information;

(c) instructions on how to access the Transmission Provider's guidelines for providing planning information;

(d) an outline of the anticipated opportunities that will be available to Interested Parties to provide input into the planning activity as contemplated in Section 3 of this Attachment K;

(e) instructions on how to access the Transmission Provider's guidelines for making requests for Economic Planning Studies; and

(f) the number of Economic Planning Studies that the Transmission Provider will undertake during the planning activity.

4.1 Submission of Planning Information

In accordance with the guidelines established for the submission of planning information in Section 3 of this Attachment K, the Transmission Provider will receive planning information from Eligible Customers and Interested Parties as follows:

(a) Interested Parties may submit written requests for Economic Planning Studies.

(b) Network Customers shall provide updates to their long-term forecasts on Network Loads and Network Resources, Contingency Resource Plans and the other information contemplated by Section 31.6 and Attachment P of the Tariff.

(c) Transmission Customers receiving Long-Term Firm Point-to-Point Transmission Service shall provide a 10-year projection of the need for and usage of Long-Term Firm Point-to-Point Transmission Service on the Transmission System including receipt and delivery points.

(d) Interconnection Customers shall provide a 10-year forecast with respect to any planned additions or upgrades, including their status and expected In-Service Date, planned retirements and environmental restrictions.

(e) Any Interested Party may also provide:

i. information related to non-wires solutions to offset or defer transmission investments, including targeted demand-side management and generation options; and

ii. any information on potential requirements or opportunities that the Interested Party believes should be considered in a particular planning activity, including transmission needs driven by Public Policy Requirements.

If any Eligible Customer or Interested Party fails to provide data or otherwise participate as described in this Attachment K, then the Transmission Provider may plan the Transmission System based on the information available.

5. Communication of the Scope of Transmission Plan Studies

5.1 Posting of Draft Scope of Transmission Plan Studies

Once a planning activity has been initiated as outlined in Section 4 of this Attachment K, the Transmission Provider will notify Interested Parties via electronic mail and make the following information available through its public website:

(a) the expected start date and duration of the planning activity, and the tasks to be undertaken as part of the activity;

(b) a high level review of the Transmission Provider's study methodology, data and Planning Manual;

(c) a proposed list of studies that meet the Transmission Provider's needs and opportunities, including needs driven by Public Policy Requirements; or, for regional planning activities, a list of studies that meets the regional needs and opportunities, including needs driven by Public Policy Requirements;

(d) which, if any, requested Economic Planning Studies can be combined;

(e) which Economic Planning Studies will be undertaken, and the appropriate planning activity for them to be undertaken;

(f) a review of the Transmission Provider's coordination among the planning activities described in Section 1 of this Attachment K, including a description of those Economic Planning Studies that have been referred for consideration as part of a specific planning activity; and

(g) an outline of the opportunities for Interested Parties to provide their input on the draft scope in accordance with Section 3 of this Attachment K.

5.2 Posting of Final Scope of Transmission Plan Studies

The Transmission Provider will consider input provided by Interested Parties and may update the scope documentation relating to Transmission Plan Studies. Once completed, the Transmission Provider will notify Interested Parties via electronic mail and post the final scope document to its public website.

6 Completion of Studies

Once the final scope document is completed, the Transmission Provider will complete the studies contemplated therein.

6.1 Economic Planning Studies

(a) The Transmission Provider will conduct the selected Economic Planning Studies within its planning scope.

(b) The Transmission Provider may request proponents of selected Economic Planning Studies and other Interested Parties to supply information that is reasonably necessary for the Transmission Provider to conduct the selected Economic Planning Studies. Such information may include cost information for transmission and generation facilities and forecasts of demand. Any information so

provided will be considered not to be confidential unless it is claimed as such in accordance with Section 8 of this Attachment K. The Transmission Provider will have no obligation to proceed with an Economic Planning Study if the Transmission Provider does not receive the information reasonably necessary to conduct the Economic Planning Study.

6.2 Use of Customer Planning Information

Subject to confidentiality and security restrictions, any information received from Interested Parties may be used by the Transmission Provider without restriction in its planning activities described in this Attachment K and in the Transmission Provider's other planning activities or studies, such as studies in response to requests for Transmission Service or interconnection. However, if the Transmission Provider reasonably determines that any information provided under this Attachment K is inappropriate or unreasonable for a particular purpose, the Transmission Provider will not use it for such purpose.

The good faith projections of anticipated Point-to-Point uses of the Transmission System or forecasted generation additions or upgrades provided by customers are additional data for consideration by the Transmission Provider in its planning activities. The Transmission Provider may consider such projections, for example, to support likely scenarios for new investments. The projections, however, will not be treated as a substitute for actual Point-To-Point reservations or interconnection requests.

6.3 Preliminary Set of Projects

After the completion of the studies, the Transmission Provider will post the following on its public website:

(a) study results; and

(b) a preliminary set of Projects.

6.4 Notice of Preliminary Set of Projects

The Transmission Provider will inform Interested Parties through electronic mail and its public website that a preliminary set of Projects has been developed and posted and will outline the opportunities for Interested Parties to provide input in accordance with Section 3 of this Attachment K.

7. Transmission Plan Development

7.1 Draft Transmission Plan

After considering input received from Interested Parties regarding the preliminary set of Projects, the Transmission Provider will develop a draft Transmission Plan and notify Interested Parties via electronic mail that the draft Transmission Plan has been posted on its public website. The draft Transmission Plan will include the following:

(a) Projects that have been selected to meet the Transmission Provider's needs and opportunities, including any projects that have been selected to meet needs driven by Public Policy Requirements; or, for regional planning activity, any projects that have been selected to meet regional needs and opportunities, including any regional needs driven by Public Policy Requirements;

(b) Projects that are in progress;

(c) Projects that meet the requirements of Transmission Service and Interconnection Service requests;

(d) Projects that have been developed sufficiently for the Transmission Provider to seek approval from its Board of Directors; and

(e) Projects for which no approval will be sought in the current planning cycle.

The Transmission Provider will outline what opportunities will be available to Interested Parties for providing input on the draft Transmission Plan in accordance with Section 3 of this Attachment K.

7.2 Final Transmission Plan

The Transmission Provider will consider input received from Interested Parties and may update the Transmission Plan as appropriate. Once completed, the Transmission Provider will post the final Transmission Plan to its public website. This will be the final step of a transmission planning activity. The inclusion of a Project in its Transmission Plan does not mean that a decision has been made by the Transmission Provider to proceed with the project.

8. Confidentiality

The Transmission Provider will develop guidelines with respect to how it will receive, use and disclose confidential and security sensitive information, including specifying how Interested Parties may submit information on a confidential basis and how a party seeking access to such information can request access to it. These guidelines will be posted on the Transmission Provider's public website.

9. Inter-Regional and Regional Planning

The Transmission Provider will coordinate with interconnected systems through participation in sub-regional planning groups and through direct engagement with neighbouring systems, as appropriate.

9.1 WECC Inter-Regional Planning

As a member of WECC, the Transmission Provider will follow WECC's policies and procedures for inter-regional planning and will participate in WECC's planning activities as it deems appropriate. The Transmission Provider will post current links to WECC's

procedures and guidelines on its public website as well as information detailing the Transmission Provider's participation in WECC's planning processes.

9.2 BCCPG Regional Planning

As a member of BCCPG, the Transmission Provider will follow BCCPG's policies and procedures for British Columbia regional planning and will participate in BCCPG's planning activities as it deems appropriate. The Transmission Provider will post current links to BCCPG's procedures and guidelines on its public website as well as information detailing the Transmission Provider's participation in BCCPG's planning processes.

9.3 Participation in Inter-Regional and Regional Planning

Interested Parties who are interested in any regional planning activities may contact the Transmission Provider's Point of Contact to obtain information with respect to opportunities for participation in these forums.

10 Dispute Resolution Process

The dispute resolution procedures described in Section 12 of the Tariff are not applicable to disputes arising from the transmission planning process described in this Attachment K. Interested Parties may bring to the attention of the Point of Contact any issue arising from the planning activities outlined in this Attachment K and the Transmission Provider will work with Interested Parties to attempt to resolve the issue. Interested Parties may also file a complaint with the Commission with respect to any such issue.

11. Cost Allocation

The Transmission Provider will recover the costs of projects required for meeting service requests and system improvements in accordance with the provisions of the Tariff.

The Transmission Provider is not obligated to expand the Transmission System based on the results of Economic Planning Studies. Where the Transmission Provider decides to construct facilities based on the results of one or more Economic Planning Studies, it will do so in accordance with any transmission expansion, congestion or other similar policy developed by the Transmission Provider and in effect at that time, subject to Commission approval. In these cases, the Transmission Provider will apply the cost allocation principles of the applicable policy under which the project is developed, subject to Commission approval.

For any project for which costs would not be recovered entirely through the Transmission Provider's rates, i.e. regional projects, interested parties shall seek to agree on a cost allocation proposal that would be included in any application to the Commission for approval of the project. Cost allocation for any such project would be ultimately determined by the Commission in the ordinary course.

12. No Participant Funding

Interested Parties may participate in the activities associated with the transmission planning process described herein at their own cost.

ATTACHMENT L

Creditworthiness Provisions

1. Preamble

This Attachment L contains the Transmission Provider's Creditworthiness Provisions and is supplemented by a detailed Credit Administration Procedure (OATT Credit Procedure), which is published on the Transmission Provider's public website, with a corresponding link to the OATT Credit Procedure provided on the Transmission Provider's OASIS.

2. Credit Review

For the purpose of determining the ability of the Transmission Customer to meet its obligations related to Transmission Service, the Transmission Provider will apply the credit review provisions described in this Attachment L. A credit review shall be conducted for each Transmission Customer not less than annually, or upon reasonable request by the Transmission Customer.

3. Creditworthiness

A Transmission Customer is creditworthy if

(i) the Transmission Customer has the requisite long-term debt rating from a nationally recognized debt rating agency as indicated in the Transmission Provider's OATT Credit Procedure;

or

(ii) if the Transmission Customer does not have a long-term debt rating, the Transmission Customer has the requisite short-term debt rating from a nationally recognized debt rating agency as indicated in the Transmission Provider's OATT Credit Procedure.

Where the Transmission Customer has multiple ratings from nationally recognized debt rating agencies, the lowest rating shall determine creditworthiness.

4. Creditworthiness Criteria

If the credit exposure is within the maximum credit limit set forth in the OATT Credit Procedure, a Transmission Customer that meets either requirement described in Section 4(i) or Section 4(ii) shall not be required to provide any form of security against the risk of nonpayment for any type of service , including deposits for studies that otherwise would be required pursuant to Sections 17.3, 19.1, 19.4, 29.2, 32.1 and 32.4 of the Transmission Provider's Open Access Transmission Tariff (the Tariff). A Transmission Customer that meets either requirement described in Section 4(i) or Section 4(ii) shall remain subject to any requirements of the Tariff to provide security related to the cost of new facilities or upgrades, including letters of credit or other forms of security required in accordance with Attachment O.

(i) The Transmission Customer

(a) is creditworthy in accordance with Section 3 of this Attachment L, and

(b) is not in default of its payment obligations under Section 7.3 of the Tariff;

or

(ii) The Transmission Customer's parent company

(a) is creditworthy in accordance with Section 3 of this Attachment L and the parent company provides a written guarantee that the parent company will be unconditionally responsible to the Transmission Provider for all financial obligations associated with the transmission service subscribed to by the Transmission Customer, and

(b) is not in default of its payment obligations under Section 7.3 of the Tariff.

5. Requirements for Customers Not Meeting Creditworthiness Criteria:

A Transmission Customer that does not meet the creditworthiness criteria set out in Section 4 above shall comply with one of the following:

(i) Providing Security

The Transmission Customer shall provide security: (a) for the charge for ninety (90) days of service; or (b) in an amount that is acceptable to the Transmission Provider. The security shall be provided at least ten (10) Business Days prior to the commencement of service or at a time that is acceptable to the Transmission Provider. The security will be either an unconditional and irrevocable letter of credit drawn on a financial institutional acceptable to the Transmission Provider or an alternative form of security acceptable to the Transmission Provider and consistent with commercial practices established under the laws of Canada and the Province of British Columbia that protects the Transmission Provider against the risk of non-payment. If the financial institution on which the letter of credit is drawn or the alternative form of security cease to be acceptable to the Transmission Provider, then the Transmission Customer shall provide a new form of security that meets the Transmission Provider's requirements, as stated above, within 30 Calendar Days of notice being provided to the Transmission Customer.

or

(ii) Pre-paying service

(a) For Point-to-Point Transmission Service of one month or less, the Transmission Customer shall pay the total charge for service at least ten (10) Business Days prior to the commencement of service, or in an amount and at a time that is acceptable to the Transmission Provider.

(b) For Point-to-Point Transmission Service of greater than one month, the Transmission Customer shall pay for each month's service at least (10)

Business Days prior to the beginning of that month, or in an amount and at a time that is acceptable to the Transmission Provider.

(c) For Network Integration Transmission Service customers, the advance payment for each month shall be paid in an amount and at a time that is acceptable to the Transmission Provider.

the Transmission Provider will not provide transmission service requested by the Transmission Customer unless one of the conditions described in Section 5(i) and 5(ii) of this Attachment L is met.

6. Changes in Creditworthiness Status

If a Transmission Customer fails to meet the requirements of Section 4 of this Attachment L at any time after transmission service is requested, the Transmission Customer will, within 5 days of notification by the Transmission Provider, either (a) pay in advance for thirty (30) Calendar Days of transmission service or (b) provide an unconditional and irrevocable letter of credit or alternative form of security acceptable to the Transmission Provider in an amount equal to the charge for thirty (30) Calendar Days of transmission service. Within thirty (30) Calendar Days of such notification the Transmission Customer shall meet the requirements of Section 5 of this Attachment L.

7. Suspension of Service

The Transmission Provider may suspend service to a Transmission Customer who does not meet the creditworthiness criteria of Section 4 of this Attachment L under the following circumstances:

(i) If the Transmission Customer qualifies for service pursuant to Section 5 of this Attachment L as a result of providing a letter or credit or alternative form of security, and it does not pay its bill within in accordance with Section 7.1 of the Tariff, and it has not initiated a billing dispute in accordance with Section 7.3 of the Tariff, the Transmission Provider may suspend service thirty (30) Calendar Days

after written notice to the Transmission Customer and the Commission that the service will be suspended unless the Transmission Customer pays its bills within this thirty (30) Calendar Day period.

(ii) If the Transmission Customer qualifies for service as a result of committing to prepay for service pursuant to Section 5(ii) of this Attachment L, and it fails to prepay for service as provided in such section, the Transmission Provider may refuse or suspend service, as applicable, immediately upon written notice to the Transmission Customer and the Commission.

(iii) If the Transmission Customer loses its creditworthy status as a result of circumstances other than a default of its payment obligations and it fails to meet the credit security requirements of Section 6 of this Attachment L, but it either pays its bills within the time period provided in Section 7.1 of the Tariff or initiates a billing dispute in accordance with Section 7.3 of the Tariff, the Transmission Provider may suspend service thirty (30) Calendar Days after written notice to the Transmission Customer and the Commission that the service will be suspended unless the Transmission Customer meets the credit security requirements of Section 5 of this Attachment L.

(iv) If the Transmission Customer loses its creditworthy status because it is in default of its payment obligations under Section 7.3 of the Tariff and it fails to meet the requirements of Section 6 of this Attachment L, the Transmission Provider may suspend service five (5) Business Days after written notice to the Transmission Customer and the Commission that service will be suspended if the Transmission Customer does not meet the requirements of Section 6 of this Attachment L.

The suspension of service shall continue only for as long as the circumstances that entitle the Transmission Provider to suspend service continue. A Transmission Customer is not obligated to pay for Transmission Service that is not provided as a result of a suspension of service.

8. Notice of Change in Creditworthiness Status and Security Requirements

If the Transmission Provider determines that there has been a change in the creditworthiness status or security requirements of a Transmission Customer, it will notify the Transmission Customer within 5 Business Days.

9. Written Explanation for any Change in Creditworthiness Status and Security Requirements

Upon request made in writing by the Transmission Customer to the Transmission Provider, the Transmission Provider will provide to the Transmission Customer a written explanation of any change in the creditworthiness status or security requirements of the Transmission Customer within 5 Business Days.

10. Contesting Determinations of Creditworthiness Status and Security Requirements

If a Transmission Customer disagrees with the Transmission Provider's determination of the Transmission Customer's creditworthiness or credit security requirements, the Transmission Customer may write to the Transmission Provider explaining the nature of the disagreement. The Transmission Provider will consider the comments, review the application of its credit provisions to the Transmission Customer and notify the Transmission Customer of the results of its review within 5 Business Days.

ATTACHMENT M-1

Standard Generator Interconnection Procedures (SGIP)

including

Standard Generator Interconnection Agreement (SGIA)

ACCEPTED: December 9, 2022

ORDER NO. G-304-22

ACTING COMMISSION SECRETARY

Table of Contents

1.0 Definitions 5

2.0 Scope and Application 19
2.1 Application of Standard Generator Interconnection Procedures 19
2.2 Comparability 19
2.3 Base Case Data 19
2.4 No Applicability to Transmission Service 20

3.0 Interconnection Requests 20
3.1 General 20
3.2 Identification of Types of Interconnection Services 21
3.3 Utilization of Surplus Interconnection Service 23
3.4 Valid Interconnection Request 29
3.5 OASIS Posting 32
3.6 Coordination with Affected Systems 37
3.7 Withdrawal 37
3.8 Identification of Contingent Facilities 39

4.0 Queue Position 41
4.1 General 41
4.2 Clustering 41
4.3 Transferability of Queue Position 44
4.4 Modifications 44

5.0 Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Generator Interconnection Procedures 48
5.1 Queue Position for Pending Requests 48
5.2 Transition Period 49
5.3 New Transmission Provider 49

6.0 Interconnection Feasibility Study 50
6.1 Interconnection Feasibility Study Agreement 50
6.2 Scope of Interconnection Feasibility Study 51
6.3 Interconnection Feasibility Study Procedures 52
6.4 Meeting with Transmission Provider 53
6.5 Re-Study 53

7.0 Interconnection System Impact Study 53
7.1 Combined Study Agreement 53
7.2 Execution of Combined Study Agreement 54
7.3 Scope of Interconnection System Impact Study 54
7.4 Interconnection System Impact Study Procedures 56

7.5 Meeting with Transmission Provider....57
7.6 Re-Study....57

8.0 Interconnection Facilities Study....57
8.1 Interconnection Facilities Study....57
8.2 Authority to Proceed....57
8.3 Scope of Interconnection Facilities Study....58
8.4 Interconnection Facilities Study Procedures....59
8.5 Meeting with Transmission Provider....59
8.6 Comments....59
8.7 Re-Study....60

9.0 Engineering and Procurement (E&P) Agreement....60

10.0 Optional Interconnection Study....61
10.1 Optional Interconnection Study Agreement....61
10.2 Scope of Optional Interconnection Study....62
10.3 Optional Interconnection Study Procedures....63

11.0 Standard Generator Interconnection Agreement (SGIA)....64
11.1 Tender....64
11.2 Negotiation....64
11.3 Execution and Filing....65
11.4 Commencement of Interconnection Activities....66

12.0 Construction of Transmission Provider's Interconnection Facilities and Network Upgrades....66
12.1 Schedule....66
12.2 Construction Sequencing....66

13.0 Miscellaneous....68
13.1 Confidentiality....68
13.2 Delegation of Responsibility....73
13.3 Obligation for Study Costs....74
13.4 Third Parties Conducting Studies....74
13.5 Disputes....76
13.6 Notice....76

List of Appendices

Appendix 1. Interconnection Request for a Generating Facility

Appendix 2. Interconnection Feasibility Study Agreement

Appendix 3. Combined Study Agreement

Appendix 4. Optional Interconnection Study Agreement

Appendix 5. Standard Generator Interconnection Agreement

1.0 Definitions

Capitalized terms used but not defined in these SGIP shall have the meanings given to them elsewhere in the Tariff. In these SGIP:

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

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

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

Affiliate 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.

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

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

Applicable Reliability Coordinator shall mean the Reliability Coordinator as defined in the Applicable Reliability Standards and which is currently recognized as BC Hydro.

Applicable Reliability Standards shall mean the reliability standards and guidelines adopted by the Commission in British Columbia, to the extent that those standards and guidelines apply to the Interconnection Customer, and the Control Area of the Transmission System.

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

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

Breaching Party shall mean a Party that is in Breach.

Business Day shall mean Monday through Friday, excluding Holidays.

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for purposes of Interconnection System Impact Studies and Interconnection Facilities Studies.

Combined Study Agreement shall mean the form of agreement contained in Appendix 3 of the SGIP.

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 D to the Standard Generator Interconnection Agreement.

Commission means the British Columbia Utilities Commission, or its successor.

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.

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the costs, timing, and study findings of the Interconnection Request are dependent, and if delayed or not built, could cause a need for a re-study of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or their respective costs and timing.

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. The Control Area is the Balancing Authority Area as defined in the Applicable Reliability Standards.

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

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties as set out in Appendix G to the SGIA.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life, or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider’s Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission

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

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

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

Force Majeure shall mean any act of God, labour disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, 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 and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include Interconnection Customer's Interconnection Facilities.

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

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including any reliability standards adopted by the Commission pursuant to section 125.2 of the British Columbia *Utilities Commission Act*.

Governmental Authority shall mean any federal, provincial, 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 Interconnection Customer, Transmission Provider, 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.

Holiday shall mean a statutory holiday in British Columbia.

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 Transmission Provider's Interconnection Facilities to obtain back feed power.

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

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

Interconnection Facilities shall mean the Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively,

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

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or, at the option of the Transmission Provider, by a third-party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades, as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider’s Transmission System. The scope of the study is defined in Section 8.3 of the Standard Generator Interconnection Procedures.

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

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

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 including Attachments to the Standard Generator Interconnection Procedures, in accordance with the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider’s Transmission System.

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

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

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

Interest means interest calculated at the average prime rate of the Transmission Provider’s lead bank for the applicable period and shall be calculated from the day a deposit or payment is credited to the Transmission Provider’s account.

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

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

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

Network Resource shall have the meaning provided in the Tariff.

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission Provider's Transmission System in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

Operating Region means any one of the following of Transmission Provider's planning regions: Metro Vancouver, Fraser Valley, Vancouver Island, Northern Interior and Southern Interior, and **Operating Regions** means all of them.

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 4 of the Standard Generator Interconnection Procedures for conducting the Optional Interconnection Study.

Party shall mean Transmission Provider or Interconnection Customer and **Parties** shall mean both of them.

Permissible Technological Advancement shall mean proposed technological modification to turbines, inverters, or plant supervisory controls or other similar advancements to the technology proposed in the Interconnection Request that: (i) does not increase the Interconnection Customer's requested Interconnection Service as specified in the original Interconnection Request; (ii) does not represent a different fuel type from the original Interconnection Request, and (iii) demonstrates that the proposed incorporation of the technological advancement would result in electrical performance that is equal to or better than the technology that was previously submitted with the Interconnection Request.

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

Point of Interconnection shall mean the point where the Interconnection Facilities are to connect to the Transmission Provider's Transmission System, as determined pursuant to the SGIP.

Provisional Interconnection Service shall mean interconnection service provided by Transmission Provider associated with interconnecting the Generating Facility to the Transmission System and enabling the Transmission System to receive electric energy and capacity from the Generating Facility at the Point of Interconnection,

pursuant to the terms of the Provisional Standard Generator Interconnection Agreement and, if applicable, the Tariff.

Provisional Standard Generator Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between the Transmission Provider and the Interconnection Customer. This agreement shall take the form of the Standard Generator Interconnection Agreement, modified for provisional purposes.

Queue Position shall mean, subject to Attachment M-2, the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard 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 Interconnection Customer and Transmission Provider 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: (1) ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site for such purpose; or (3) an exclusivity or other business relationship between Interconnection

Customer and the entity having the right to sell, lease or grant Interconnection Customer the right to possess or occupy a site for such purpose.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Generator Interconnection Agreement.

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

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

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Standard Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized the Interconnection Service limit at the Point of Interconnection would remain the same.

Surplus Interconnection Service Combined Study Agreement shall mean the form of agreement contained in Appendix 3 of the Standard Generator Interconnection Procedures for conducting the Surplus Interconnection Service System Impact and Surplus Interconnection Service Facilities Studies.

Surplus Interconnection Service Customer shall mean either the Interconnection Customer to the original Standard Generator Interconnection Agreement with unneeded Interconnection Service or the entity that wants to utilize Surplus Interconnection Service.

Surplus Interconnection Service Facilities Queue Position shall mean the position assigned to the Surplus Interconnection Service Customer by the Transmission Provider in accordance with Section 3.3.4.2 of the Standard Generator Interconnection Procedures.

Surplus Interconnection Service Facilities Study shall mean the study performed by the Transmission Provider in situations where additional Interconnection Facilities are identified by the Transmission Provider as being required to support the requested Surplus Interconnection Service.

Surplus Interconnection Service Impact Study shall mean a study conducted by the Transmission Provider consisting of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies necessary for the Transmission Provider to demonstrate reliable operation of the Surplus Interconnection Service on the Transmission System.

Surplus Interconnection Service Request shall mean a request for Surplus Interconnection Service submitted by a Surplus Interconnection Service Customer in accordance with Section 3.3.1.

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

Tariff shall mean the Transmission Provider's tariff through which open access transmission service and Interconnection Service are offered, as filed with the

Commission, and as amended or supplemented from time to time, or any successor tariff.

Transmission Provider shall mean BC Hydro.

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

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

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

WECC shall mean Western Electricity Coordinating Council, or any successor organization.

2.0 Scope and Application

2.1 Application of Standard Generator Interconnection Procedures

Sections 2 through 13 apply to processing an Interconnection Request.

2.2 Comparability

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

2.3 Base Case Data

Transmission Provider shall maintain base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on either its OASIS site or a password-protected website, subject to confidentiality provisions in SGIP Section 13.1. In addition, Transmission Provider shall maintain network models and underlying assumptions on either its OASIS site or a password-protected website. Such network models and underlying assumptions should reasonably represent those used during the most recent interconnection study and be representative of current Transmission System conditions. Transmission Provider's OASIS site will include instructions for Interconnection Customers to follow to access the network models and underlying assumptions. Transmission Provider is permitted to require that Interconnection Customers, OASIS site users and password-protected website users sign a confidentiality agreement before the release of commercially sensitive information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (1) generation projects and (2) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a

transmission expansion plan has been submitted and approved by the Commission.

2.4 No Applicability to Transmission Service

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

3.0 Interconnection Requests

3.1 General

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 including Attachments to this SGIP. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

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

Transmission Provider shall have a process in place to consider requests for Interconnection Service below the Generating Facility Capacity. These requests for Interconnection Service shall be studied at the level of Interconnection Service

requested for purposes of Interconnection Facilities and Network Upgrades, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the Transmission System, with the study costs borne by the Interconnection Customer. If, after the additional studies are complete, Transmission Provider determines that additional Interconnection Facilities and/or Network Upgrades are necessary, then Transmission Provider must: (1) specify the particular study upon which such costs for additional Interconnection Facilities and/or Network Upgrades are based; and (2) provide a detailed explanation of why the additional Interconnection Facilities and/or Network Upgrades are necessary. Any costs for Interconnection Facilities required for safety and reliability also will be borne by the Interconnection Customer. Interconnection Customer will provide security for the costs of any additional Network Upgrades.

3.2 Identification of Types of Interconnection Services

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may, at any time before or concurrent with the delivery of notice to proceed with an Interconnection Facilities Study pursuant to Section 8.2, also request that it be concurrently studied for Energy Resource Interconnection Service. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service

3.2.1.1 The Product

Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

3.2.1.2 The Study

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

3.2.2 Network Resource Interconnection Service

3.2.2.1 The Product

Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in the same manner as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider’s Transmission

System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study

The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission Provider's Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission Provider’s Transmission System, consistent with Transmission Provider's reliability criteria and procedures. This approach assumes that some portion of existing Network Resources is displaced by the output of Interconnection Customer's Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery.

3.3 Utilization of Surplus Interconnection Service.

An Interconnection Customer with an effective SGIA may make Surplus Interconnection Service available at an existing Point of Interconnection utilizing the process outlined in this Section 3.3. The Interconnection Customer with an effective SGIA or its Affiliate shall have priority to utilize such Surplus Interconnection Service. If neither the Interconnection Customer with an effective SGIA nor its Affiliates exercise its priority, then such Interconnection Customer may make the Surplus Interconnection Service available to other potential Interconnection Customers. Surplus Interconnection Service requested must be less than or equal to the amount of Surplus Interconnection Service made available by the Interconnection Customer with an effective SGIA and cannot

exceed the total Interconnection Service already provided by the Interconnection Customer's effective SGIA.

For the purposes of an Interconnection Customer making available or requesting Surplus Interconnection Service, references to the current Interconnection Customer or a currently effective SGIA shall also include any entity which interconnected to the Transmission System prior to the effective date of the SGIP and its corresponding interconnection agreement. The entity requesting Surplus Interconnection Service, or the entity making such Surplus Interconnection Service available, shall provide to the Transmission Provider the information necessary to verify the original interconnection service available in lieu of a SGIA, which may include the original interconnection agreement, studies, Network Integration Transmission Service Agreement, or other technical information. The Transmission Provider may request any additional information necessary to evaluate the request for Surplus Interconnection Service in accordance with this Section 3.3.

Surplus Interconnection Service is only available up to the amount that can be accommodated without requiring additional Network Upgrades other than System Protection Facilities and Metering Equipment.

3.3.1 Initiating a Request for Surplus Interconnection Service

A request for Surplus Interconnection Service may be submitted by the Interconnection Customer with an effective SGIA or the entity that wants to utilize Surplus Interconnection Service.

3.3.1.1 If the Interconnection Customer with an effective SGIA wishes to initiate a request for Surplus Interconnection Service, it shall submit a request to the Transmission Provider and provide the following information in writing:

(A) The initial Queue Position number associated with the existing Interconnection Service;
(B) The amount of Surplus Interconnection Service to be made available in megawatts;
(C) The period(s) of time when Surplus Interconnection Service will be available;
(D) The conditions under which Surplus Interconnection Service at the Point of Interconnection may be used;
(E) Whether the Interconnection Customer intends to use the Surplus Interconnection Service for itself, for one of its Affiliates, or to make it available to an unrelated third-party; and
(F) Name, address, telephone number, and email address of Interconnection Customer's contact person. The Interconnection Customer shall provide any additional information the Transmission Provider may request in relation to the request for Surplus Interconnection Service.

3.3.1.2 If the entity wishing to utilize Surplus Interconnection Service chooses to initiate a request for Surplus Interconnection Service, it shall submit a request to the Transmission Provider and provide the following information in writing:

(A) The Point of Interconnection associated with the existing Interconnection Service and, if known, the initial Queue Position number;
(B) The amount of Surplus Interconnection Service capacity requested in megawatts;
(C) Type of service requested: Energy Resource Interconnection Service or Network Resource Interconnection Service, but only if the existing service is also Network Resource Interconnection Service;

(D) Preliminary one-line diagram of the proposed Generating Facility showing how it will connect to the existing Point of Interconnection;

(E) Proposed Commercial Operation Date (day, month, and year);

(F) Name, address, telephone number, and email address of Interconnection Customer's contact person;

(G) The technical information set forth in Appendix 3 of the SGIP;

(H) Evidence demonstrating, to the satisfaction of the Transmission Provider, that the Interconnection Customer with an effective SGIA agrees with allowing the surplus request to proceed.

The entity wishing to utilize such Surplus Interconnection Service shall provide any additional information the Transmission Provider may request in relation to the request for Surplus Interconnection Service.

3.3.2 Surplus Interconnection Service Combined Study Agreement.

Within ten (10) Business Days following the request for Surplus Interconnection Service and receipt of all the information required by the Transmission Provider, Transmission Provider shall provide to the Surplus Interconnection Service Customer a non-binding good faith estimate of the cost and timeframe for completing the Surplus Interconnection Service Impact Study and tender a Surplus Interconnection Service Combined Study Agreement to the Surplus Interconnection Service Customer. The Surplus Interconnection Service Combined Study Agreement shall provide that Surplus Interconnection Service Customer shall compensate Transmission Provider for the actual cost of the Surplus Interconnection Service Impact Study. The Surplus Interconnection Service Customer shall deliver the executed Surplus Interconnection Service Combined Study Agreement to Transmission Provider together with the required technical data along with a study deposit equal to $30,000. The initial $30,000 deposit shall be applied towards the Surplus Interconnection Service Impact

Study cost. If the Surplus Interconnection Service Customer's share of the Surplus Interconnection Service Impact Study costs exceed $30,000, then Surplus Interconnection Customer will be responsible for this excess cost. If the Surplus Interconnection Service Customer's share of the Surplus Interconnection Service Impact Study cost is less than $30,000, the difference shall be refunded to the Surplus Interconnection Service Customer.

3.3.3 Surplus Interconnection Service Queue

Upon receipt of a Surplus Interconnection Service Request, the Transmission Provider shall assign a Surplus Interconnection Service Queue Position based upon the date and time of receipt of such request. The Surplus Interconnection Service Queue Position will be used to determine the order of performing the Surplus Interconnection Service Impact Study. A higher queued Surplus Interconnection Service Request is one that has been placed "earlier" in the queue in relation to another Surplus Interconnection Service Request that is lower queued.

3.3.4 Surplus Interconnection Service Studies

3.3.4.1 Surplus Interconnection Service Impact Study

The Surplus Interconnection Service Impact Study shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the existing Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original Interconnection System Impact Study is not available for the Surplus Interconnection Service, both off-peak and peak analysis may need to be

performed for the existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any additional Interconnection Facilities and Network Upgrades necessary. The Transmission Provider may waive any or all of the additional studies if it determines that there is no reasonable expectation that the Surplus Interconnection Service will negatively impact the reliability or safety of the Transmission System and that no additional Interconnection Facilities or Network Upgrades would be identified in such studies.

The Transmission Provider will use Reasonable Efforts to complete the Surplus Interconnection Service Impact Study for a Surplus Interconnection Service Request within ninety (90) Calendar Days of receipt of a completed Surplus Interconnection Service Request and all requested information relating to such request. The Transmission Provider will notify the Surplus Interconnection Service Customer if it anticipates that the such studies will not be completed within the required time and provide an estimate of the expected date of completion.

3.3.4.2 Surplus Interconnection Service Facilities Study

If additional Interconnection Facilities are identified as being required to support the Surplus Interconnection Service Request, the Transmission Provider will require written notice from the Surplus Interconnection Service Customer to proceed with the Surplus Interconnection Service Facilities Study as outlined in the Surplus Interconnection Service Combined Study Agreement. Surplus Interconnection Service Customer shall notify the Transmission Provider of any technical data changes and provide a study deposit of $30,000. This study deposit is in addition to any amount provided in Section 3.3.2 of the SGIP.

If the Surplus Interconnection Service Customer's share of the Surplus Interconnection Service Facilities Study costs exceed $30,000, then Surplus Interconnection Service Customer will be responsible for this excess cost. If the Surplus Interconnection Service Customer's share of the Surplus Interconnection Service Facilities Study cost is less than $30,000, the difference shall be refunded to the Surplus Interconnection Service Customer.

The Surplus Interconnection Service Facilities Study will be conducted in accordance with the requirements for an Interconnection Facilities Study specified in Section 8 of the SGIP.

3.3.5 New Standard Generator Interconnection Agreement

The SGIA for the existing Interconnection Customer's Generating Facility shall be replaced by a new agreement among the Transmission Provider, existing Interconnection Customer, and the Surplus Interconnection Service Customer. Such agreement shall be in the form of the most currently effective SGIA, modified to reflect, among other things, the Surplus Interconnection Service Customer's Generating Facility and the amount of, and the terms for the use of, the Surplus Interconnection Service. The agreement shall be developed and negotiated in accordance with Section 11 of the SGIP, all at the Surplus Interconnection Service Customer's expense.

3.4 Valid Interconnection Request

3.4.1 Initiating an Interconnection Request

Subject to Attachment M-2, to initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) an initial non-refundable $15,000 deposit, and (ii) a completed application in the form of Appendix 1 including Attachments. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. If an Interconnection Customer

demonstrates Site Control within the cure period specified in Section 3.4.3 after submitting its Interconnection Request, and subsequently withdraws the Interconnection Request, the initial deposit shall become refundable, less any costs incurred by the Transmission Provider in its review of the Interconnection Request; otherwise, all such deposit(s), additional and initial, become non-refundable and are used for review of the Interconnection Request and any subsequent studies.

The expected In-Service Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period (or in the absence of a regional planning process, the process window for Transmission Provider's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.4.2 Acknowledgment of Interconnection Request

Subject to Attachment M-2, Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.4.3 Deficiencies in Interconnection Request

Subject to Attachment M-2, an Interconnection Request will not be considered to be a valid request until all items in Section 3.4.1 have been received by Transmission Provider. If an Interconnection Request fails to meet the requirements set forth in Section 3.4.1, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.4.3 shall be treated in accordance with Section 3.7.

3.4.4 Scoping Meeting

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

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider and Interconnection Customer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider and

Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

Notwithstanding Section 4.4, the Transmission Customer may modify the Point(s) of Interconnection designated in its Interconnection Request on or before the return of the executed Interconnection Feasibility Study Agreement to the Transmission Provider.

This section is subject to Attachment M-2.

3.5 OASIS Posting

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by Operating Region; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the type of Interconnection Service being requested; (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed (technology and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an SGIA or requests that Transmission Provider file an unexecuted SGIA with the Commission. Before holding a Scoping Meeting with its Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so.

Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Subject to Attachment M-2, Interconnection Study reports and Optional Interconnection Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Generating Facility's In-Service Date.

This section is subject to Attachment M-2.

3.5.1 Requirement to Post Interconnection Study Metrics

Transmission Provider will maintain on its OASIS or its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. If Transmission Provider posts this information on its website, a link to the information must be provided on Transmission Provider's OASIS site. For each calendar quarter, Transmission Provider must calculate and post the information detailed in sections 3.5.1.1 through to 3.5.1.4.

3.5.1.1 Interconnection Feasibility Studies Processing Time

(A) Number of Interconnection Requests that had Interconnection Feasibility Studies completed within the Transmission Provider's coordinated region during the reporting quarter,

(B) Number of Interconnection Requests that had Interconnection Feasibility Studies completed within the Transmission Provider's coordinated region during the reporting quarter that were completed more than sixty (60) Calendar Days after receipt by the Transmission Provider of the Interconnection Customer's executed Interconnection Feasibility Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Interconnection Feasibility Studies where

such Interconnection Requests had executed Interconnection Feasibility Study Agreements received by the Transmission Provider more than sixty (60) Calendar Days before the reporting quarter end,

(D) Mean time (in Calendar Days), Interconnection Feasibility Studies completed within the Transmission Provider's coordinated region during the reporting quarter, from the date when the Transmission Provider received the executed the Interconnection Feasibility Study Agreement to the date when the Transmission Provider provided the completed Interconnection Feasibility Study to the Interconnection Customer,

(E) Percentage of Interconnection Feasibility Studies exceeding sixty (60) Calendar Days to complete during the reporting quarter, calculated as the sum of 3.5.1.1(B) plus 3.5.1.1(C) divided by the sum of 3.5.1.1(A) plus 3.5.1.1(C).

3.5.1.2 Interconnection System Impact Studies Processing Time

(A) Number of Interconnection Requests that had Interconnection System Impact Studies completed within the Transmission Provider's coordinated region during the reporting quarter,

(B) Number of Interconnection Requests that had Interconnection System Impact Studies completed within the Transmission Provider's coordinated region during the reporting quarter that were completed more than one hundred and fifty (150) Calendar Days after receipt by Transmission Provider of the Interconnection Customer's executed Combined Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Requests with ongoing incomplete Interconnection System Impact Studies where such Interconnection Requests had executed Combined Study Agreements received by the Transmission Provider more than one hundred and fifty (150) Calendar Days before the reporting quarter end,

(D) Mean time (in Calendar Days), Interconnection System Impact Studies completed within the Transmission Provider's coordinated region during the

reporting quarter, from the date when the Transmission Provider received the executed Combined Study Agreement to the date when the Transmission Provider provided the completed Interconnection System Impact Study to the Interconnection Customer,

(E) Percentage of Interconnection System Impact Studies exceeding one hundred and fifty (150) Calendar Days to complete during the reporting quarter, calculated as the sum of 3.5.1.2(B) plus 3.5.1.2(C) divided by the sum of 3.5.1.2(A) plus 3.5.1.2(C).

3.5.1.3 Interconnection Facilities Studies Processing time

(A) Number of Interconnection Requests that had Interconnection Facilities Studies that are completed within the Transmission Provider's coordinated region during the reporting quarter,

(B) Number of Interconnection Requests that had Interconnection Facilities Studies that are completed within the Transmission Provider's coordinated region during the reporting quarter that were completed more than two hundred and seventy (270) Calendar Days after receipt by the Transmission Provider of the Interconnection Customer's executed Combined Study Agreement,

(C) At the end of the reporting quarter, the number of active valid Interconnection Service requests with ongoing incomplete Interconnection Facilities Studies where such Interconnection Requests had executed Combined Study Agreement received by the Transmission Provider more than two hundred and seventy (270) Calendar Days before the reporting quarter end

(D) Mean time (in Calendar Days), for Interconnection Facilities Studies completed within the Transmission Provider's coordinated region during the reporting quarter, calculated from the date when the Transmission Provider received the executed Combined Study Agreement to the date when the Transmission Provider provided the completed Interconnection Facilities Study to the Interconnection Customer,

(E) Percentage of delayed Interconnection Facilities Studies during the reporting quarter, calculated as the sum of 3.5.1.3(B) plus 3.5.1.3(C) divided by the sum of 3.5.1.3(A) plus 3.5.1.3(C).

3.5.1.4 Interconnection Service Requests Withdrawal

(A) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter,

(B) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of any Interconnection Studies or execution of any Interconnection Study agreements,

(C) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of an Interconnection System Impact Study,

(D) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue during the reporting quarter before completion of an Interconnection Facilities Study,

(E) Number of Interconnection Requests withdrawn from Transmission Provider's interconnection queue after execution of a Standard Generator Interconnection Agreement or Interconnection Customer requests the filing of an unexecuted, new Standard Generator Interconnection Agreement,

(F) Mean time (in Calendar Days), for all withdrawn Interconnection Requests, from the date when the request was assigned a Queue Position to when Transmission Provider received the request to withdraw the Interconnection Request from the queue.

3.5.2 Posting of Measures

Transmission Provider is required to post on OASIS or its website the measures in Section 3.5.1.1(A) - 3.5.1.4(F) for each calendar quarter within 30 Calendar Days of the end of the calendar quarter.

Transmission Provider will keep the quarterly measures posted on OASIS or its website for three calendar years. If Transmission Provider retains this information on its website, a link to the information must be provided on Transmission Provider's OASIS site.

3.6 Coordination with Affected Systems

Transmission Provider will attempt to coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this SGIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.7 Withdrawal

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

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection Customer's

Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. If the outcome of Dispute Resolution is to restore that Interconnection Request to the queue anywhere above an Interconnection Request with respect to which an SGIA was executed by Transmission Provider at any time after the commencement of such Dispute Resolution, and provided that SGIA differs from the SGIA that would have been executed had the disputing Interconnection Customer's Interconnection Request not been eliminated from the queue during Dispute Resolution, then Transmission Provider shall apply to the Commission for a determination of how the restoration of the Interconnection Request to the queue should impact any such SGIA, if at all.

An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

Transmission Provider shall (i) update the OASIS Queue Position posting and (ii) refund to Interconnection Customer any refundable portion of Interconnection Customer's deposit or study payments that exceeds the costs that Transmission Provider has incurred, including Interest. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

3.8 Identification of Contingent Facilities

Transmission Provider shall identify the Contingent Facilities, if any, that will be specified to the Interconnection Customer in the Interconnection System Impact Study and subsequently referenced in the Interconnection Facilities Study and Standard Generator Interconnection Agreement. The method shall be sufficiently transparent to determine why a specific Contingent Facility was identified and how it relates to the Interconnection Request. Transmission Provider shall also provide, upon request of the Interconnection Customer, the estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each identified Contingent Facility provided this information is readily available and not commercially sensitive.

3.8.1 Method for Identifying Contingent Facilities.

The steps described below are to be taken by Transmission Provider to identify and list the Contingent Facilities, if any, upon which the Interconnection Customer's costs, timing, and study findings are dependent.

Step 1: In preparation for performing an Interconnection System Impact Study, Transmission Provider is to review any applicable interconnection study associated with generating facilities that have a higher queued interconnection request, to determine whether any of those request(s) have unbuilt interconnection facilities and/or network upgrades that may be necessary to provide the Interconnection Customer's requested Interconnection Service.

Step 2: To the extent unbuilt interconnection facilities and/or network upgrades associated with higher queued interconnection requests are identified as potentially necessary to accommodate the Interconnection Customer's requested Interconnection Service, Transmission Provider is to make note of such unbuilt

facilities and/or upgrades for further consideration during the performance of the Interconnection System Impact Study.

Step 3: Once Transmission Provider has identified the system impacts of the proposed Interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System, then Transmission Provider is to perform a further assessment, which may include power flow, , transient stability and/or short circuit analyses to determine whether the Interconnection Customer's costs, timing, and/or study findings are dependent upon any of the unbuilt interconnection facilities and/or network upgrades associated with higher queued interconnection requests, noted in Step 2 above. Before accomplishing the study work outlined in Step 3, the Transmission Provider will advise the proposed Interconnection Customer of the specific studies to be performed from the foregoing list and provide its accompanying rationale.

Step 4: In conducting the studies described in Step 3, the Transmission Provider will utilize the criteria and/or thresholds within the relevant NERC standards for the specific studies to be accomplished. If the criteria or thresholds are not met, the Interconnection Customer's costs, timing and/or study findings are dependent upon one or more of the unbuilt interconnection facilities and/or network upgrades associated with higher queued interconnection requests, and each such unbuilt interconnection facility and/or network upgrade upon which the Interconnection Request is dependent shall be deemed "Contingent Facilities" or, individually, as a "Contingent Facility."

3.8.2 Contingent Facilities

The Contingent Facilities will be identified in the Interconnection System Impact Study and at the conclusion of the Interconnection Facilities Study for a given Interconnection Request, and shall be documented in Appendix A of the Standard Generator Interconnection Agreement.

4.0 Queue Position

4.1 General

Transmission Provider shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and Interconnection Customer provides such information in accordance with Section 3.4.3, then Transmission Provider shall assign Interconnection Customer a Queue Position based on the date and time the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section 4.4.3.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request. A higher queued Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

4.2 Clustering

At Transmission Provider's option, Interconnection Requests may be studied using Clustering. If Transmission Provider elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window", shall be studied together. Transmission Provider, may at its option, establish Queue Cluster Windows for any one or more Operating Regions, in which case only those Generating Facilities with Points of Interconnection within such Operating Region(s) received within the Queue

Cluster Window shall be studied together using Clustering. Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility. Transmission Provider may, at its option, limit the number of Interconnection Requests Interconnection Customers may submit during a Queue Cluster Window for the same Generating Facility.

Clustering shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on Transmission Provider's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

Transmission Provider may allocate the costs of Interconnection Studies carried out pursuant to Clustering, and the costs of Network Upgrades and Interconnection Facilities identified as required by those Interconnection Studies, between or among the Interconnection Customers having filed the Interconnection Requests that are the subject of the Clustering pro rata, based on the maximum MW electrical output of the Generating Facility (if the Interconnection Request is for a new Generating Facility) or the increase in MW electrical output of the Generating Facility (if the Interconnection Request is for an increase in the generating capacity of an existing Generating Facility) from each Interconnection Request, notwithstanding their Queue Positions.

Notwithstanding Section 11, within fifteen (15) Calendar Days of the date on which the Transmission Provider delivers the draft Interconnection Facilities Study

report to Interconnection Customers whose Interconnection Requests have been studied pursuant to Clustering, each Interconnection Customer shall indicate on OASIS whether it is willing to pay and provide security for its applicable share of the good faith estimate of costs contained in the Facilities Study in accordance with Attachment O of the Tariff. Within thirty (30) Calendar Days after comments on the draft Interconnection Facilities Study report are submitted by the Interconnection Customers to the Transmission Provider, Transmission Provider shall tender a draft SGIA, together with draft appendices completed to the extent practicable, to each Interconnection Customer that has indicated that it is willing to pay and provide security for its applicable share of the costs. Each tendered SGIA shall be contingent on execution by each other Interconnection Customer receiving an SGIA. The remaining provisions of Section 11 with respect to the tender, negotiation and execution of SGIAs apply, except that if any one or more SGIAs so tendered is not executed by the applicable Interconnection Customer(s) and returned with evidence that milestones have been achieved pursuant to Section 11.3 by the deadline for execution of the SGIA by the Interconnection Customer, the Transmission Provider shall, within fifteen (15) Calendar Days thereafter, reissue SGIAs to those Interconnection Customers that executed the previous SGIA reapportioning the costs contained in the Interconnection Facilities Study among those remaining Interconnection Customers. Each of those remaining Interconnection Customers shall have fifteen (15) Calendar Days to execute its SGIA and return it with evidence that milestones have been achieved pursuant to Section 11.3. If any one or more of those SGIAs are not executed and returned as provided, then the Transmission Provider shall continue to reissue SGIAs as provided for above until all issued SGIAs are executed and returned as provided, or until the last SGIA tendered was tendered to a single Interconnection Customer.

4.3 Transferability of Queue Position

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

4.4 Modifications

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2, 4.4.5, or 4.4.6, or are determined not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes and proceed with any re-studies necessary to do so in accordance with Section 6.5, Section 7.6 and Section 8.7 as applicable and Interconnection Customer shall retain its Queue Position.

4.4.1 Permitted Modifications Before Combined Study Agreement

Prior to the return of the executed Combined Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project, through either (1) a decrease in plant size (MW) or (2) a decrease in

Interconnection Service level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider-approved injection-limiting equipment; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

4.4.2 Permitted Modification After Interconnection System Impact Study

Permitted modifications before delivery of a notice authorizing the Transmission Provider to proceed with an Interconnection Facilities Study pursuant to Section 8.2 shall include specifically: (a) additional 15 percent decrease of electrical output of the proposed project through either (1) a decrease in plant size (MW) or (2) a decrease in Interconnection Service level (consistent with the process described in Section 3.1) accomplished by applying Transmission Provider-approved injection-limiting equipment; (b) Generating Facility technical parameters associated with modifications to Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer; and (c) a Permissible Technological Advancement for the Generating Facility after the submission of the Interconnection Request. Section 4.4.6 specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether the Interconnection Customer's proposed technological advancement under Section 4.4.2(c) constitutes a Material Modification.

4.4.3 Request for Modification Evaluation

Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2 and 4.4.5, Interconnection Customer may first request that

Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 4.4.1, 6.1, 7.2 or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

4.4.4 Additional Studies for Modification Evaluation

Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost. Notwithstanding anything else in these SGIP, all time periods and deadlines provided for in these SGIP and falling after the date of receipt of such notice of request by Transmission Provider shall be extended by a period equal to the time period between receipt of such notice or request and the date on which all additional studies are completed.

4.4.5 Extensions of Commercial Operation Date

Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing; provided, however, that extensions may necessitate a determination of whether the

Generating Facility will retain its accepted rating status and whether additional studies are required pursuant to the Applicable Reliability Standards.

4.4.6 Technological Change Procedure

At any time after the submission of an Interconnection Request, but before the Interconnection Customer provides its confirmation to proceed with the Interconnection Facilities Study in accordance with Section 8.2, an Interconnection Customer may submit a written request to the Transmission Provider to evaluate a change to the technology of the Generating Facility to determine if the change is a Permissible Technological Advancement. Interconnection Customer must provide a deposit of $10,000 and all information necessary to allow Transmission Provider to perform its analysis, including, but not limited to: a description of the technological advancement being considered, a completed Generator Interconnection Data Form, and updated models in a format specified by the Transmission Provider.

(a) After the Interconnection Request has been accepted and deemed complete, the Transmission Provider will perform an initial analysis to determine whether the proposed technological advancement is a Permissible Technological Advancement without the need for additional study.

(b) If the Transmission Provider determines on the basis of its initial analysis that Interconnection Customer has demonstrated that the proposed technological advancement is a Permissible Technological Advancement without the need for additional study, the Transmission Provider will incorporate the technological advancement into the Interconnection Request.

(c) If the Transmission Provider determines that further study is required, such study will be performed at the sole expense of the Interconnection Customer and the Transmission Provider will use Reasonable Efforts to complete this study within thirty (30) Calendar Days.

(d) If the Transmission Provider determines on the basis of its study that the proposed technological advancement is not a Permissible Technological Advancement, then the request will be treated as a Material Modification of the Interconnection Request under Section 4.4.3. However, If the Transmission Provider determines that Interconnection Customer has demonstrated that the proposed technological advancement is a Permissible Technological Advancement, the Transmission Provider will incorporate the technological advancement into the Interconnection Request.

Any proposed technological modification submitted after an executed Combined Study Agreement is received by the Transmission Provider shall be considered a Permissible Technological Advancement only if it is not deemed to be a Material Modification pursuant to Section 4.4.3.

5.0 Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Generator Interconnection Procedures

5.1 Queue Position for Pending Requests

5.1.1 If an Interconnection Customer has not executed an interconnection system impact study agreement with Transmission Provider as of the effective date of this SGIP, then all interconnection studies shall be processed in accordance with this SGIP.

5.1.2 If an Interconnection Customer has executed an interconnection system impact study agreement with Transmission Provider prior to the effective date of this SGIP, such interconnection study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which an Interconnection Customer has not signed a study agreement prior to the effective date of the SGIP, Transmission Provider must offer Interconnection Customer the option of either continuing under Transmission Provider's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for

which it does not have a signed Interconnection Studies Agreement) in accordance with this SGIP.

5.1.3 If an interconnection agreement has been executed before the effective date of the SGIP, then the interconnection agreement would be grandfathered.

5.2 Transition Period

Transmission Provider and Interconnection Customers with an outstanding request (i.e., an interconnection request for which an interconnection agreement has not been executed as of the effective date of this SGIP) for which an Interconnection Study must be completed pursuant to these SGIP shall transition such request to this SGIP within a reasonable period of time not to exceed sixty (60) Calendar Days. Any Interconnection Customer with an outstanding request as of the effective date of this SGIP may request a reasonable extension of any deadline, otherwise applicable, if necessary, to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by Transmission Provider to the extent consistent with the intent and process provided for under this SGIP.

5.3 New Transmission Provider

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with Interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this SGIP shall be paid by or refunded to the Interconnection Customer, as appropriate.

The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft SGIA to Interconnection Customer but Interconnection Customer has not either executed the SGIA or requested the filing of an unexecuted SGIA with the Commission, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

6.0 Interconnection Feasibility Study

6.1 Interconnection Feasibility Study Agreement

Subject to Attachment M-2, simultaneously with the acknowledgement of a valid Interconnection Request Transmission Provider shall provide to Interconnection Customer an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting Interconnection Customer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following Transmission Provider's receipt of such designation, Transmission Provider shall tender to Interconnection Customer the Interconnection Feasibility Study Agreement, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. Interconnection Customer shall execute and deliver to Transmission Provider the Interconnection Feasibility Study Agreement along with a $15,000 deposit no later than thirty (30) Calendar Days after its receipt.

Subject to Attachment M-2, if the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and re-studies shall be completed pursuant to Section 6.5 as applicable.

Subject to Attachment M-2, for the purpose of this Section 6.1, if Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.4.4, shall be the substitute.

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

6.2 Scope of Interconnection Feasibility Study

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

Subject to Attachment M-2, the Interconnection Feasibility Study will consider the Base Case as well as all generating facilities (and with respect to (iii), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue

Position but have executed an interconnection agreement or an unexecuted interconnection agreement has been filed with the Commission. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis. The Interconnection Feasibility Study will provide a list of facilities and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

6.3 Interconnection Feasibility Study Procedures

Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Subject to Attachment M-2, Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than sixty (60) Calendar Days after Transmission Provider receives the fully executed Interconnection Feasibility Study Agreement and the Interconnection Request is deemed complete. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Feasibility Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Feasibility Study. If Transmission Provider is unable to complete the Interconnection Feasibility Study within that time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section 13.1.

Transmission Provider shall study the Interconnection Request at the level of service requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

6.4 Meeting with Transmission Provider

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

6.5 Re-Study

If re-study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 6.1 Transmission Provider shall notify Interconnection Customer in writing. Transmission Provider shall use Reasonable Efforts to complete such re-study no later than sixty (60) Calendar Days from the date of the notice. Any cost of re-study shall be borne by the Interconnection Customer being re-studied.

7.0 Interconnection System Impact Study

7.1 Combined Study Agreement

Subject to Attachment M-2, unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.4.4, simultaneously with the delivery of the Interconnection Feasibility Study to Interconnection Customer, Transmission Provider shall tender to Interconnection Customer a Combined Study Agreement. Within five (5) Business Days following the deadline established pursuant to these SGIP for the meeting, contemplated by Section 6.4, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection System Impact Study.

7.2 Execution of Combined Study Agreement

Interconnection Customer shall execute and deliver the Combined Study Agreement to Transmission Provider no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and a $75,000 deposit.

If Interconnection Customer does not provide all technical data required by the Combined Study Agreement when it delivers the executed Combined Study Agreement to Transmission Provider, Transmission Provider shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Combined Study Agreement and Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Combined Study Agreement or deposit. If the Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 7.6 as applicable. For the purpose of this Section 7.2, if Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.4.4, shall be the substitute.

7.3 Scope of Interconnection System Impact Study

The Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Interconnection System Impact Study will consider the Base Case as well as all

generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but for which there is an executed interconnection agreement or an unexecuted interconnection agreement has been filed with the Commission. In the case of Clustering, the Interconnection System Impact Study will also consider all other Interconnection Requests to be studied concurrently pursuant to Section 4.2.

The Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Interconnection System Impact Study shall consider the level of Interconnection Service requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns The Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility (including any amounts that Interconnection Customer may have to pay, or security the Interconnection Customer may have to provide, pursuant to Article 11 of the SGIA) and a non-binding good faith estimated time to construct.

7.4 Interconnection System Impact Study Procedures

Transmission Provider shall coordinate the Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.6 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study.

Transmission Provider shall use Reasonable Efforts to complete the Interconnection System Impact Study within one hundred and fifty (150) Calendar Days after the receipt of the Combined Study Agreement or notification to proceed, study payment, and technical data. If Transmission Provider uses Clustering, Transmission Provider shall use Reasonable Efforts to deliver a completed Interconnection System Impact Study within one hundred and fifty (150) Calendar Days after the close of the Queue Cluster Window.

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

7.5 Meeting with Transmission Provider

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

7.6 Re-Study

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

8.0 Interconnection Facilities Study

8.1 Interconnection Facilities Study

Within five (5) Business Days following the deadline established pursuant to these SGIP for the meeting contemplated by Section 7.5, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

8.2 Authority to Proceed

Interconnection Customer shall notify Transmission Provider in writing of whether it wishes Transmission Provider to proceed with the Interconnection Facilities Study no later than ten (10) Calendar Days of receipt from Transmission Provider of the cost estimate contemplated by Section 8.1. If Interconnection Customer

wishes Transmission Provider to proceed with the Interconnection Facilities Study, it shall provide Transmission Provider with an initial $150,000 deposit and all additional technical data requested by Transmission Provider together with such notice.

If Interconnection Customer does not provide all requested additional technical data when it delivers such notice, Transmission Provider shall notify Interconnection Customer in writing of the deficiency within five (5) Business Days of receipt of Interconnection Customer's notice to proceed. Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of Transmission Provider's notice.

Transmission Provider may request additional deposits and/or security based upon its assessment of the estimated final cost of the study.

8.3 Scope of Interconnection Facilities Study

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

8.4 Interconnection Facilities Study Procedures

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.6 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of notice from the Interconnection Customer to proceed pursuant to Section 8.2: two hundred seventy (270) Calendar Days with a +15/-10% percent cost estimate.

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

8.5 Meeting with Transmission Provider

At Interconnection Customer's request, within ten (10) Business Days of providing the draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.6 Comments

Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft Interconnection Facilities Study report, provide written comments to

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

8.7 Re-Study

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

9.0 Engineering and Procurement (E&P) Agreement

Prior to executing an SGIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Provider shall offer Interconnection Customer, an E&P Agreement that authorizes Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Provider shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that

Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the SGIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Queue Position or In-Service Date.

The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs. Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its Interconnection Request or either Party terminates the E&P Agreement, to the extent the equipment ordered can be cancelled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably cancelled, Transmission Provider may elect: (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

10.0 Optional Interconnection Study

10.1 Optional Interconnection Study Agreement

On or after the date when Interconnection Customer receives an Interconnection System Impact Study report, or at any time for Interconnection Customers subject to Clustering, Interconnection Customer may request, and Transmission Provider shall perform a reasonable number of Optional Interconnection Studies. The

request shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Section 10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 4.

The Optional Interconnection Study Agreement shall specify: (i) the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions as to the type of Interconnection Service for Interconnection Requests remaining in the Optional Interconnection Study case, and (iii) Transmission Provider's estimate of the cost of the Optional Interconnection Study. To the extent known by Transmission Provider, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, Transmission Provider shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a $30,000 deposit to Transmission Provider.

10.2 Scope of Optional Interconnection Study

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also

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

10.3 Optional Interconnection Study Procedures

The executed Optional Interconnection Study Agreement, the deposit, and technical and other data called for therein must be provided to Transmission Provider within ten (10) Business Days of Interconnection Customer receipt of the Optional Interconnection Study Agreement. Transmission Provider shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If Transmission Provider is unable to complete the Optional Interconnection Study within such time period, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to Transmission Provider or refunded to Interconnection Customer, as appropriate. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

11.0 Standard Generator Interconnection Agreement (SGIA)

11.1 Tender

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Within thirty (30) Calendar Days after the comments are submitted, Transmission Provider shall tender a SGIA, together with draft appendices. Interconnection Customer shall return the completed draft appendices within thirty (30) Calendar Days.

11.2 Negotiation

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider shall begin negotiations with Interconnection Customer concerning appendices A through D to the SGIA at any time after Transmission Provider delivers the draft Interconnection Facilities Study report to Interconnection Customer pursuant to Section 8.4. Following such request, or where no such request is made, following receipt by Transmission Provider of the completed draft appendices to the SGIA from Interconnection Customer pursuant to Section 11.1, Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of appendices A through D to the SGIA for not more than sixty (60) Calendar Days after Transmission Provider's tender of the SGIA and draft appendices pursuant to Section 11.1. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after Transmission Provider's tender of the SGIA and draft appendices pursuant to Section 11.1. Transmission Provider shall provide to Interconnection Customer a final SGIA within fifteen (15) Business Days after the completion of the negotiation process. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed a final SGIA, requested filing of an unexecuted SGIA with the Commission, or initiated Dispute

Resolution procedures pursuant to Section 13.5, within thirty (30) Calendar Days of Transmission Provider's tender of a final SGIA, it shall be deemed to have withdrawn its Interconnection Request.

11.3 Execution and Filing

If Interconnection Customer executes a final SGIA, it shall execute two originals of the tendered final SGIA and return them to Transmission Provider. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract for the sale of electric energy or capacity from the Generating Facility; or (v) application for an air, water, or land use permit.

If Interconnection Customer requests in writing that Transmission Provider file with the Commission an SGIA in unexecuted form, Transmission Provider shall, as soon as practicable, but not later than ten (10) Business Days after receiving a request to file an unexecuted SGIA with the Commission, file an SGIA with Commission, together with its explanation of any matters as to which Interconnection Customer and Transmission Provider disagree and support for the costs that Transmission Provider proposes to charge to, or security that Transmission Provider proposes to require from, Interconnection Customer under the SGIA. An unexecuted SGIA should contain terms and conditions deemed appropriate by Transmission Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities

and upgrades under the agreed-upon terms of the unexecuted SGIA, they may proceed subject to the Commission ordering otherwise.

11.4 Commencement of Interconnection Activities

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

12.0 Construction of Transmission Provider's Interconnection Facilities and Network Upgrades

12.1 Schedule

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

12.2 Construction Sequencing

12.2.1 General

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

12.2.2 Advance Construction of Network Upgrades that are an Obligation of an Entity Other Than Interconnection Customer

An Interconnection Customer with an SGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) were assumed in the Interconnection Studies for such Interconnection Customer, (ii) are necessary to support such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than Interconnection Customer that is seeking interconnection to the Transmission System, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer provides Transmission Provider security as contemplated by Attachment O of the Tariff for: (i) any associated expediting costs and (ii) the cost of such Network Upgrades.

Transmission Provider will reduce the outstanding amount of the security provided by the Interconnection Customer for both the expediting costs and the cost of such Network Upgrades, in accordance with Attachment O of the Tariff. The entity that would have had a contractual obligation to provide security for such Network Upgrades had they not been expedited shall be obligated to provide security for the outstanding balance of the security provided by the Interconnection Customer for such Network Upgrades on the date that it would have been due had there been no request for advance construction. Upon receipt of security from that entity, Transmission Provider shall release the security provided by the Interconnection Customer for such Network Upgrades.

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

An Interconnection Customer with an SGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer provides Transmission Provider security as contemplated by Attachment O of the Tariff for any associated expediting costs. Interconnection Customer may consolidate security for the expediting costs with other security in accordance with Attachment O.

12.2.4 Amended Interconnection System Impact Study

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

13.0 Miscellaneous

13.1 Confidentiality

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an SGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this 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.

Notwithstanding the foregoing, if Transmission Provider performs study work using WECC data (power flow, stability, and disturbance monitoring data) for an Interconnection Customer that is not a member of WECC, Interconnection Customer may only look at the data at Transmission Provider's office, but shall not be permitted to have the data or a copy of the data, and only once Interconnection Customer has signed the WECC Non-member Confidentiality Agreement in accordance with WECC policies.

Notwithstanding the foregoing, the release of Confidential Information shall be subject to Applicable Laws and Regulations and Applicable Reliability Standards.

13.1.1 Scope

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third-party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the other Party to keep such information confidential; (4) was independently

developed by the receiving Party without reference to Confidential Information of the other Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the SGIA; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by Applicable Laws and Regulations, or is necessary in any legal proceeding establishing rights and obligations under the SGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information

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

13.1.3 Rights

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

13.1.4 No Warranties

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

13.1.5 Standard of Care

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

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

13.1.7 Remedies

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

13.1.8 Disclosure to the Commission

Notwithstanding anything in this Section 13.1 to the contrary, if the Commission, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the SGIP, the Party shall provide the requested information to the Commission within the time provided for in the request for information. In providing the information to the Commission, the Party must request that the information be treated as confidential and non-public by the Commission and that the information be withheld from public disclosure.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information (Confidential Information) shall not be disclosed by the other Party to any person not employed

or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this SGIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third-party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This Section 13.1 shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision).

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

13.2 Delegation of Responsibility

Transmission Provider may use the services of contractors as it deems appropriate to perform its obligations under this SGIP.

Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such contractors and compliance with its obligations of this

SGIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs

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

13.4 Third Parties Conducting Studies

If (i) at the time of the signing of an Interconnection Study agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.4 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.4 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third-party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the

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

In all cases, use of a third-party consultant shall be in accord with Article 26 of the SGIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third-party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including selection through a request for proposal process where appropriate, reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third-party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii) Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third-party study. Such third-party consultant shall be required to comply with this SGIP, Article 26 of the SGIA (Subcontractors), and the relevant provisions of the Tariff as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third-party consultant and Interconnection

Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the other Party's failure to comply with these SGIP, such dispute or claim shall be resolved in accordance with Dispute Resolution. Notwithstanding anything else herein, no Party shall be liable to the other for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with these SGIP.

13.6 Notice

Unless otherwise provided in these SGIP, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective only if given in writing, and may be so given by recognized national courier, or by depositing the same with the Canadian 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 for that Party's representative as set out in the Interconnection Request. Any notice, demand or request required or permitted to be given by either Party to the other and not required by these SGIP to be given in writing may be so given by telephone, facsimile or email to the numbers or addresses for the Party's representative as set out in the Interconnection Request.

APPENDIX 1 to SGIP

Interconnection Request for a Generating Facility

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with Transmission Provider's Transmission System pursuant to the Tariff. Capitalized terms used but not defined herein shall have the meanings given to them in the SGIP.

2. This Interconnection Request is for (check one):
   _____ A proposed new Generating Facility.
   _____ An increase in the generating capacity or a Material Modification of an existing Generating Facility.

3. The type of interconnection service requested (check one):
   _____ Energy Resource Interconnection Service
   _____ Network Resource Interconnection Service

4. _____ Check here only if Interconnection Customer requesting Network Resource Interconnection Service also seeks to have its Generating Facility studied for Energy Resource Interconnection Service.

5. Interconnection Customer provides the following information:

   (a) Address or location or the proposed new Generating Facility site (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;

   (b) Maximum summer at ____ degrees C and winter at _____ degrees C megawatt electrical output of the proposed new Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;

   (c) General description of the equipment configuration;

(d) Commercial Operation Date (Day, Month, and Year);

(e) Name, address, telephone number, fax number and e-mail address of Interconnection Customer's contact person;

(f) Approximate location of the proposed Point of Interconnection (optional); and

(g) Interconnection Customer Data (set forth in Attachment A)

(h) Primary frequency response operating range for electric storage resources.

(i) Requested capacity (in MW) of Interconnection Service (if lower than the Generating Facility Capacity).

6. Applicable deposit amount as specified in the SGIP.

7. Evidence of Site Control as specified in the SGIP (check one)

____ Is attached to this Interconnection Request

____ Will be provided at a later date in accordance with the SGIP

8. This Interconnection Request shall be submitted to the representative indicated below:

BC Hydro
Attention: <*>
Telephone: <*>
Facsimile: <*>
Email: <*>

9. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]
Telephone: <*>
Facsimile: <*>
Email: <*>

10. This Interconnection Request is submitted by:

Attachment A
To Appendix 1
Interconnection Request

DATA REQUIREMENTS FOR GENERATOR INTERCONNECTION

Interconnection Customers must submit the applicable data submission form provided in the Transmission Provider's Business Practices identified to be submitted as Attachment A to Appendix 1 Interconnection Request. The data that the Transmission Provider may require in the data submission forms in order to assess the Interconnection Request is set out below. The definition and explanation of the data may be found in the Generator Interconnection Equipment Statement(s) and Technical Interconnection Requirements of the Transmission Provider's Business Practices.

1. Site Location and Point of Interconnection

All Interconnection Customers will be required to submit a site location map, which shall include all generating sites of a project, the point of interconnection (POI), and the transmission line(s) to connect the project into the system at POI. The locations of generating sites, new substations, or new taps on existing lines must also be shown on the map and located by latitude and longitude. On the site location map, the Interconnection Customer shall:

(a) Identify the substation(s), if connecting to an existing BC Hydro substation(s), or

(b) Identify the line by name (such as 2L1) as well as the location of the proposed interconnection, if connecting to an existing BC Hydro transmission line.

The Interconnection Customer will also be required to provide a site layout plan.

2. Electrical Data

The required electrical data must be submitted by a registered professional engineer in the APEGBC.

2.1 One-Line Diagram

All Interconnection Customers will be required to provide a one-line diagram that includes major station equipment (such as generators, transformers, station load, breakers, disconnects, capacitors, reactors, surge arrestors, current transformers, voltage transformers, capacitive voltage transformers), equipment ratings, transformer configuration, generator configuration and grounding, and bus arrangement.

The Interconnection Customer will also be required to provide a protection one-line diagram showing metering and relaying.

2.2 Generator Data

If one or more generators are included, the following data for each different type of generator and generator step up transformer may be required to be provided by the Interconnection Customer. For wind turbine generators, models of all control schemes must be submitted in PSS/E and EMTP formats.

(a) Generator General Specifications

1. Energy source (e.g., hydro, thermal, wind, combined cycle.) and energy profile in a typical year, and/or typical daily pattern for wind.
2. Number of rotating generators with power factor, MW and MVAR ratings.
3. Number of turbines, combustion, steam, wind, hydro, etc.
4. Maximum output in winter, spring and summer, MW.
5. Maximum injected MW's at the POI.
6. Station service load for auxiliaries, MW, MVAR.
7. Station service connection plan.

(b) Generator Data, Synchronous Machines

The Transmission Provider may require the following data for each different generator assembly:

1. Reactive capability, 'P-Q' curves;

2. Excitation 'Vee' curves;
3. Saturation and synchronous impedance curves;
4. Identifier (e.g., Generator unit number);
5. Number of similar generators;
6. Complex power, MVA;
7. Active power, MW;
8. Terminal voltage, kV;
9. Machine parameters:
    a. Sb – Power base (MVA) upon which machine data is specified;
    b. H – Total inertia constant of the generator and turbine, MWs/MVA;
    c. Ra – Armature resistance, pu;
    d. Xd – Direct axis unsaturated synchronous reactance, pu;
    e. Xq – Quadrature axis unsaturated synchronous reactance, pu;
    f. X'd – Direct axis unsaturated transient reactance, pu;
    g. X'q – Quadrature axis saturated and unsaturated transient reactance, pu;
    h. X"d – Direct axis saturated and unsaturated subtransient reactance, pu;
    i. Xlm – Stator leakage reactance, pu;
    j. T'do – Direct axis transient open circuit time constant, seconds;
    k. T'qo – Quadrature axis transient open circuit time constant, seconds;
    l. T"do – Direct axis subtransient open circuit time constant, seconds;
    m. T"qo – Quadrature axis subtransient open circuit time constant, seconds;
    n. S(1.0) – Saturation factor at rated terminal voltage; and
    o. S(1.2) – Saturation factor at 1.2 per unit of rated terminal voltage;
10. Excitation system modeling information with reference to standard types as specified in PTI PSS/E model library:

a. Type (static, ac rotating, etc.);
b. Maximum/Minimum dc current;
c. Maximum/Minimum de voltage;
d. Nameplate information;
e. Block diagram with control parameter settings; and
f. Power System Stabilizer (PSS) type and settings;

11. Speed governor information with detailed modeling information with reference to standard types as specified in PTI PSS/E model library for each turbine:
    a. Turbine type (hydro, thermal, wind);
    b. Total capacity, MW (available peak operation rating);
    c. Number of stages;
    d. Manufacturer and model, if known;
    e. Frequency vs. time operational limits, seconds at Hz;
    f. Maximum turbine ramping rates, MW/minute, ramp up and ramp down;

(c) Generator Data, Asynchronous Machines

The Transmission Provider may require the following data for each different generator assembly:

1. Shunt reactive compensation devices for power factor correction with induction generators or converters:
    a. Power Factor without compensation;
    b. Power Factor with full compensation;
    c. Reactive power of shunt compensation voltage, kVar; and
    d. Type and model (if required) of shunt compensation device.
2. AC/DC Converter devices employed with certain types of induction motor installations or with DC sources.
    a. Number of converters;
    b. Nominal ac voltage, kV;

c. Capability to supply or absorb reactive power, MVAR;

d. Converter manufacturer, model name, number, version; and

e. Rated/Limitation on Fault current contribution, kA.

3. Machine parameters:

a. Sb – Power base (MVA) upon which machine data is specified;

b. H – Total inertia constant of generator and turbine, MWs/ MVA;

c. Ra – Armature resistance, pu;

d. Xd – Direct axis saturated and unsaturated synchronous reactance, pu;

e. X'd – Direct axis saturated and unsaturated transient reactance, pu;

f. X"d – Direct axis saturated and unsaturated subtransient reactance, pu;

g. Xl – Stator leakage reactance, pu;

h. T'do – Direct axis transient open circuit time constant, seconds;

i. T"do – Direct axis subtransient open circuit time constant, seconds;

j. S(1.0) – Saturation factor at rated terminal voltage, A/A;

k. S(1.2) – Saturation factor at 1.2 per unit of rated terminal voltage, A/A;

l. Vt – Voltage threshold for tripping, pu;

m. Vr – Voltage at which reconnection is permitted, pu;

n. Tv – Pickup time for voltage-based tripping, seconds;

o. Tvr – Time delay for reconnection, seconds;

p. Ft – Frequency threshold for tripping, Hz;

q. Tf – Pickup time for frequency-based tripping, seconds;

r. Reactive power required at no load, MVAR; and

s. Reactive power required at full load, MVAR.

4. External Shunt Compensation:

a. Bus Voltage;

b. Number and rating of each shunt capacitor section; and

c. Voltage/PF controller scheme description and time delays.

2.3 Load Information Requirements

The Transmission Provider may require the following information regarding the plant load:

(a) Delivery voltage, kV;

(b) Power factor;

(c) Transformer data including high and low voltage levels and impedances.

2.4 Transformer Data

If one or more power transformers are included as part of the proposed connection, the Transmission Provider may require the following data for each unique transformer:

(a) Transformer number or identifier;

(b) Number of similar transformers;

(c) Transformer type and number of windings, (e.g. two winding);

(d) Transformer winding data. For a two winding transformer, only winding H and L data is required.

1. For each winding, H, L, y: (y=tertiary):
   a. Nominal voltage, kV; and
   b. Configuration (Δ or Y) and Y winding connection (ungrounded, solid ground or impedance ground).
2. Transformer MVA ratings:
   a. Winding H, MVA;
   b. Winding L, MVA; and
   c. Winding y, MVA.
3. Transformer impedances, positive and zero sequence:
   a. Winding H to L, % X and R at MVA;

b. Winding H to Y, % X and R at MVA; and

c. Winding L to Y, % X and R at MVA.

4. Transformer tap changer information:

   a. No load or load;

   b. Tap changer winding location, H, L, Y; and

   c. Available taps.

5. Transformer cooling requirements if required from BC Hydro:

   a. Load, amps; and

   b. Voltage, single or three phase, volts.

2.5 Transmission Line / Cable Data

If a new transmission line or cable is to be included as part of the proposed connection, the Transmission Provider may require the following data:

(a) Nominal operating voltage, kV;

(b) Line length, km and routes shown in map;

(c) Line capacity, amps at ºC;

(d) Overhead/underground construction including conductor type; and

(e) Positive and zero sequence transmission line data in physical units:

   1. Series resistance, R Ω;

   2. Series reactance, X Ω; and

   3. Shunt susceptance, B μ S (or μ Ω –1).

3. Plant Data

The Transmission Provider may require the following information regarding the plant.

(a) Plant designation;

(b) Maximum inject Power (Facility Interconnection Capacity) into the Transmission Provider system;

(c) Contracted capacity to BC Hydro (if applicable);

(d) Total Plant generating capacity;

(e) Total number of generators in the Plant;

(f) Total number of generator transformers in the Plant;

(g) Total Plant Load (MW);

(h) Total Plant Load (MVar);

(i) Total Plant Motor Load;

(j) Total Plant Static Load;

(k) Total Plant Static Load power factor;

(l) Total Plant Reactive compensation;

(m) Ground Grid resistance;

(n) Plant restoration time immediately following a self restoring fault or upset on the transmission line;

(o) Bus length from generation to interconnection station;

(p) Line length from interconnection station to Transmission Provider's transmission line;

(q) Tower number – observed in the field and painted on tower leg;

(r) Number of third party easements required for transmission lines;

(s) Black Start Capability (yes/no);

(t) Is the Generating Facility in the Transmission Provider's service area (yes/no);

1. If no, provide name of Local Provider

(u) Maximum Summer plant output;

(v) Maximum Winter plant output;

(w) Maximum Spring plant output.

4 Primary frequency response operating range for electric storage resources:

(a) Minimum State of Charge:

(b) Maximum State of Charge.

APPENDIX 2 to SGIP

Interconnection Feasibility Study Agreement

THIS AGREEMENT is made and entered into this ___ day of _____, 20___ by and between _____, a _____ organized and existing under the laws of the Province of _____, (Interconnection Customer) and BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a Crown corporation existing under the laws of the Province of British Columbia, (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the proposed or modified Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed or modified Generating Facility to the Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the SGIP.

2. Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 6 of the SGIP.

3. The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4. The Interconnection Feasibility Study shall be based on the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.4.4 of the SGIP. If, after the designation of the Point of Interconnection pursuant to Section 3.4.4 of the SGIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.

5. The Interconnection Feasibility Study report shall provide the following information:

   (a) preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

   (b) preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and

   (c) preliminary description and non-binding estimated cost of facilities required to interconnect the proposed or modified Generating Facility to the Transmission System and to address the identified short circuit and power flow issues.

6. Interconnection Customer shall provide a deposit of $15,000 for the performance of the Interconnection Feasibility Study.

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

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

7. Miscellaneous. The Interconnection Feasibility Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the SGIP and the SGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 2
Interconnection Feasibility
Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION FEASIBILITY STUDY

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

APPENDIX 3 to SGIP

Combined Study Agreement

THIS AGREEMENT is made and entered into this ____ day of _____, 20___ by and between _____, a _____organized and existing under the laws of the Province of _____, (Interconnection Customer) and BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a Crown corporation existing under the laws of the Province of British Columbia, (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____; and

WHEREAS, Interconnection Customer desires to interconnect the proposed or modified Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the Feasibility Study) and provided the results of said study to Interconnection Customer (This recital to be omitted if Transmission Provider does not require the Interconnection Feasibility Study);

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection System Impact Study to assess the impact of interconnecting the proposed or modified Generating Facility to the Transmission System, and of any Affected Systems; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the SGIP.

2. Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection System Impact Study consistent with Section 7 of the SGIP.

3. The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4. The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study if one was completed and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the SGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

5. The Interconnection System Impact Study report shall provide the following information:

   (a) identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

   (b) identification of any thermal overload or voltage limit violations resulting from the interconnection;

   (c) identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and

(d) description and non-binding, good faith estimated cost of facilities required to interconnect the proposed or modified Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6. Interconnection Customer shall provide a deposit of $75,000 for the performance of the Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interconnection System Impact Study is [insert date].

   Transmission Provider may request additional deposits based upon its assessment of the estimated final cost for the completion of the Interconnection System Impact Study.

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

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

7. If Interconnection Customer elects to proceed with an Interconnection Facilities Study consistent with Section 8.2 of the SGIP, Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8 of the SGIP to be performed in accordance with the Tariff.

8. The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment B and the data provided in Attachment C to this Agreement.

9. The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment B), schedule for required facilities to interconnect the proposed or modified Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Impact Study.

10. If Interconnection Customer elects to proceed with an Interconnection Facilities Study consistent with Section 8.2 of the SGIP, Interconnection Customer shall provide an initial deposit of $150,000 for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment B.

    Transmission Provider may request additional deposits and/or security based upon its assessment of the estimated final cost of the study.

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

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

11. Miscellaneous. The Combined Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the SGIP and the SGIA.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3
Combined Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION SYSTEM IMPACT STUDY

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the SGIP, if one was completed and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

Attachment B to Appendix 3
Combined Study Agreement

INTERCONNECTION CUSTOMER SCHEDULE FOR CONDUCTING THE INTERCONNECTION FACILITIES STUDY

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after of receipt of notice from the Interconnection Customer to proceed with an Interconnection Facilities Study:

1 two hundred seventy (270) Calendar Days with no more than a +15 /-10 percent cost estimate contained in the report.

Attachment C to Appendix 3
Combined Study Agreement

DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER WITH THE COMBINED STUDY AGREEMENT

Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections:

On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one line diagram indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

Will an alternate source of auxiliary power be available during CT/PT maintenance?

____Yes ___No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation?

____Yes _____No (Please indicate on one line diagram).

What type of control system or PLC will be located at Interconnection Customer's Generating Facility?

What protocol does the control system or PLC use?

Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

Tower number observed in the field. (Painted on tower leg)*

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____Yes _____No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer receives back feed power Date _____

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 4 to SGIP

Optional Interconnection Study Agreement

THIS AGREEMENT is made and entered into this ____ day of _____, 20___ by and between _____, a _____organized and existing under the laws of the Province of _____, (Interconnection Customer) and BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a Crown corporation existing under the laws of the Province of British Columbia, (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____;

WHEREAS, Interconnection Customer is proposing to establish an interconnection with the Transmission System; and

WHEREAS, Interconnection Customer has submitted to Transmission Provider an Interconnection Request; and

WHEREAS, Interconnection Customer has further requested that Transmission Provider prepare an Optional Interconnection Study;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

1. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the SGIP.

2. Interconnection Customer elects and Transmission Provider shall cause to be performed an Optional Interconnection Study consistent with Section 10 of the SGIP.

3. The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4. The Optional Interconnection Study shall be performed solely for informational purposes.

5. The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide transmission service or interconnection service based upon the assumptions specified by Interconnection Customer in Attachment A.

6. Interconnection Customer shall provide a deposit of $15,000 for the performance of the Optional Interconnection Study. Transmission Provider's good faith estimate for the time of completion of the Optional Interconnection Study is [insert date].

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

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

7. Miscellaneous. The Optional Interconnection Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the SGIP and the SGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX 5 to SGIP

Standard Generator Interconnection Agreement (SGIA)

Table of Contents

Article 1. Definitions 8

Article 2. Effective Date, Term and Termination 18
2.1 Effective Date 18
2.2 Term of Agreement 18
2.3 Termination Procedures 18
2.4 Termination Costs 19
2.5 Disconnection 20
2.6 Survival 20

Article 3. Regulatory Filings 21
3.1 Filing 21

Article 4. Scope Of Service 21
4.1 Interconnection Product Options 21
4.2 Provision of Service 25
4.3 Performance Standards 25
4.4 No Transmission Service 25
4.5 Interconnection Customer Provided Services 25

Article 5. Interconnection Facilities Engineering, Procurements and Construction 25

5.1 CONSTRUCTION TIMING 25
5.2 General Conditions Applicable to Option to Build 28
5.3 Reserved 30
5.4 Power System Stabilizers 30
5.5 Equipment Procurement 30
5.6 Construction Commencement 31
5.7 Work Progress 31
5.8 Information Exchange 32
5.9 Other Interconnection Options 32
5.10 Interconnection Customer's Interconnection Facilities (ICIF) 33
5.11 Transmission Provider's Interconnection Facilities Construction 35
5.12 Access Rights 35
5.13 Lands of Other Property Owners 36
5.14 Permits 36
5.15 Early Construction of Base Case Facilities 36
5.16 Suspension 37
5.17 Tax Indemnity 38
5.18 Tax Status 38
5.19 Modification 38

Article 6. Reserved 39

Article 7. Reserved 39

Article 8. Communications 39
8.1 Reserved 39
8.2 Reserved 39
8.3 No Annexation 39
8.4 Provision of Data from a Variable Energy Resource 39

Article 9. Operations 40
9.1 General 40
9.2 Reserved 40
9.3 Transmission Provider Obligations 40
9.4 Interconnection Customer Obligations 41
9.5 Start-Up and Synchronization 41
9.6 Reactive Power and Primary Frequency Response 41
9.7 Outages and Interruptions 47
9.8 Switching and Tagging Rules 50
9.9 Use of Interconnection Facilities by Third Parties 50
9.10 Disturbance Analysis Data Exchange 51

Article 10. Maintenance 52
10.1 Transmission Provider Obligations 52
10.2 Interconnection Customer Obligations 52
10.3 Coordination 52
10.4 Secondary Systems 52
10.5 Operating and Maintenance Expenses 53

Article 11. Performance Obligation 53
11.1 Interconnection Customer Interconnection Facilities 53
11.2 Transmission Provider's Interconnection Facilities 53
11.3 Network Upgrades 53
11.4 Credits and Repayments 54
11.5 Provision of Security 55
11.6 Interconnection Customer Compensation 56

Article 12. Invoice 56
12.1 General 56
12.2 Final Invoice 57
12.3 Payment Invoices 57
12.4 Disputes 57

Article 13. Emergencies 58

13.1 Definition....58
13.2 Obligations....58
13.3 Notice....59
13.4 Immediate Action....59
13.5 Transmission Provider Authority....60
13.6 Interconnection Customer Authority....61
13.7 Limited Liability....61

Article 14. Regulatory Requirements and Governing Law....62
14.1 Regulatory Requirements....62
14.2 Governing Law....62

Article 15. Notices....62
15.1 General....62
15.2 Billings and Payments....63
15.3 Alternative Forms of Notice....63
15.4 Operations and Maintenance Notice....63

Article 16. Force Majeure....63
16.1 Force Majeure....63

Article 17. Default....64
17.1 Default....64

Article 18. Indemnity, Consequential Damages and Insurance....65
18.1 Indemnity....65
18.2 Consequential Damages....67
18.3 Insurance....67

Article 19. Assignment....70
19.1 Assignment....70

Article 20. Severability....70
20.1 Severability....70

Article 21. Comparability....71
21.1 Comparability....71

Article 22. Confidentiality....71
22.1 Confidentiality....71

Article 23. Environmental Releases....76
23.1 Notice of Release....76

Article 24. Information Requirements 76
24.1 Information Acquisition 76
24.2 Information Submission by Transmission Provider 77
24.3 Updated Information Submission by Interconnection Customer 77
24.4 Information Supplementation 78

Article 25. Information Access And Audit Rights 79
25.1 Information Access 79
25.2 Reporting of Non-Force Majeure Events 79
25.3 Audit Rights 79
25.4 Audit Rights Periods 80
25.5 Audit Results 81

Article 26. Subcontractors 81
26.1 General 81
26.2 Responsibility of Principal 81
26.3 No Limitation by Insurance 81

Article 27. Disputes 82

Article 28. Representations, Warranties and Covenants 82
28.1 General 82

Article 29. Joint Operating Committee 83
29.1 Joint Operating Committee 83

Article 30. Miscellaneous 84
30.1 Binding Effect 84
30.2 Conflicts 85
30.3 Rules of Interpretation 85
30.4 Entire Agreement 86
30.5 No Third Party Beneficiaries 86
30.6 Waiver 86
30.7 Headings 87
30.8 Multiple Counterparts 87
30.9 Amendment 87
30.10 Modification by the Parties 87
30.11 Reservation of Rights 87
30.12 No Partnership 88

List of Appendices

Appendix A. Interconnection Facilities and Network Upgrades

Appendix B. Milestones

Appendix C. Interconnection Details

Appendix D. Commercial Operation Date

Appendix E. Addresses for Delivery of Notices and Billings

Appendix F. Reserved

Appendix G. Dispute Resolution Procedure

THIS STANDARD GENERATOR INTERCONNECTION AGREEMENT (Agreement) is made and entered into this _____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the Province of _____ (Interconnection Customer), and BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a British Columbia Crown corporation established and existing under the laws of the Province of British Columbia (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Transmission Provider operates the Transmission System; and

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

WHEREAS, Interconnection Customer and Transmission Provider have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System;

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

When used in this Standard 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 or the Tariff.

Article 1. Definitions

Affected System shall mean an electric system other than the Transmission Provider's Transmission System 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.

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

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

Applicable Reliability Standards shall mean the reliability standards and procedures adopted by the Commission in British Columbia, to the extent that those standards and procedures apply to the Interconnection Customer, and the Control Area of the Transmission System.

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

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

Breaching Party shall mean a Party that is in Breach.

Business Day shall mean Monday through Friday, excluding Holidays.

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

Combined Study Agreement shall mean the Combined Study Agreement dated <*> between Interconnection Customer and Transmission Provider in respect of the Generating Facility.

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 confirmed by Interconnection Customer pursuant to Appendix D to this Standard Generator Interconnection Agreement.

Commission means the British Columbia Utilities Commission, or its successor.

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.

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the costs, timing, and study findings of the Interconnection Request are dependent, and if delayed or not built, could cause a need for a re-study of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or their respective costs and timing.

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the

interconnection. The Control Area is the Balancing Authority Area as defined in the Applicable Reliability Standards.

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

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties as set out in Appendix G to the SGIA.

Effective Date shall mean, the date on which this Standard Generator Interconnection Agreement becomes 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.

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

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission

Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.

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

Force Majeure shall mean any act of God, labour disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, 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 and/or storage for later injection of electricity identified in Appendix C, but shall not include the Interconnection Customer's Interconnection Facilities.

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

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

Governmental Authority shall mean any federal, provincial, 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 Interconnection Customer, Transmission Provider, 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.

Holiday shall mean a statutory holiday in British Columbia.

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 Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of this Standard 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 Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean the Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively,

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

Interconnection Facilities Study shall mean the Interconnection Facilities Study dated <*> in respect of the Generating Facility.

Interconnection Feasibility Study shall mean the Interconnection Feasibility Study dated <*> in respect of the Generating Facility.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard Generator Interconnection Procedures, in accordance with the Tariff, in respect of the Generating Facility.

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

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

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

except in cases of gross negligence or intentional wrongdoing by the Indemnified Person.

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

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

Network Customer shall have the meaning provided in the Tariff.

Network Resource shall have the meaning provided in the Tariff.

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission Provider's Transmission System in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

Operating Orders means those operating instructions, protocols and procedures developed by the Joint Operating Committee pursuant to Article 29.1.6.

Party shall mean Transmission Provider or Interconnection Customer, and **Parties** shall mean both of them.

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

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

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

Provisional Standard Generator Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between Transmission Provider and the Interconnection Customer, which shall take the form of the Standard Generator Interconnection Agreement, modified for provisional purposes.

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

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to this Standard Generator Interconnection Agreement.

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

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

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Standard Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized the total amount of Interconnection Service at the Point of Interconnection would remain the same.

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

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

Technical Interconnection Requirements means the "60 kV to 500 kV Interconnection Requirements for Power Generators" BC Hydro, as amended from time to time.

Transmission Provider's Interconnection Facilities (TPIF) shall mean all facilities and equipment owned, controlled or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to this Standard Generator Interconnection Agreement, including any modifications,

additions or upgrades to such facilities and equipment. Transmission Provider's Interconnection Facilities are sole use facilities and shall not include Stand Alone Network Upgrades or Network Upgrades.

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

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

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Article 2. Effective Date, Term and Termination

2.1 Effective Date

This SGIA 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. Transmission Provider shall promptly file this SGIA with the Commission upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement

Subject to the provisions of Article 2.3, this SGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures

2.3.1 Written Notice

This SGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying the Commission after the Generating Facility permanently ceases Commercial Operation or fails to achieve Commercial Operation within three (3) years of the target date for Commercial Operation set out in Appendix B.

2.3.2 Default

Either Party may terminate this SGIA in accordance with Article 17.

2.3.3 Reserved

2.3.4 Notwithstanding Articles 2.3.1 through 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 with the Commission of a notice of termination of this SGIA, if required, which notice has been accepted for filing by the Commission.

2.4 Termination Costs

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

2.4.1 With respect to any portion of Transmission Provider's Interconnection Facilities that have not yet been constructed or installed, Transmission Provider 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 Transmission Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Provider to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this SGIA, 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 Transmission Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Transmission Provider 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 Transmission Provider 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 SGIA, 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 SGIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this SGIA or such non-terminating Party otherwise is responsible for these costs under this SGIA.

2.6 Survival

This SGIA 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 SGIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this SGIA was in effect; as provided in Article 11.4.2; and to permit each Party to have access to

the lands of the other Party pursuant to this SGIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing

Transmission Provider shall file this SGIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this SGIA, or any amendment thereto, the Interconnection Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

Article 4. Scope Of Service

4.1 Interconnection Product Options

Interconnection Customer has selected the following (checked) type of Interconnection Service:

4.1.1 Energy Resource Interconnection Service

4.1.1.1 The Product

Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. To the extent Interconnection Customer wants to receive Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A to this SGIA.

4.1.1.2 Transmission Delivery Service Implications

Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the interconnecting Transmission Provider's Transmission System on an "as available" basis up to the amount of MWs identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for Energy Resource Interconnection Service have been constructed. No transmission delivery service from the Generating Facility is assured, but Interconnection Customer may obtain Point-to-Point Transmission Service, Network Integration Transmission Service, or be used for secondary network transmission service, pursuant to Transmission Provider's Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for Interconnection Customer to obtain the right to deliver or inject energy beyond the Generating Facility Point of Interconnection or to improve its ability to do so, transmission service must be obtained pursuant to the provisions of Transmission Provider's Tariff. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of Transmission Provider's Transmission System at such time as a transmission service request is made that would accommodate such delivery. The provision of firm Point-to-Point Transmission Service or Network Integration Transmission Service may require the construction of additional Network Upgrades.

4.1.2 Network Resource Interconnection Service

4.1.2.1 The Product

Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in the same manner as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Appendix A to this SGIA.

4.1.2.2 Transmission Delivery Service Implications

Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on Transmission Provider's Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the Generating Facility in the same manner as it accesses other Network Resources. A Generating Facility receiving Network Resource Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or firm Point-to-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for transmission service under the Tariff, cost responsibility for the studies and upgrades would be in accordance with Transmission Provider's Tariff for pricing transmission delivery services.

Network Resource Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Generating Facility to any particular load on Transmission Provider's Transmission System without incurring

congestion costs. In the event of transmission constraints on Transmission Provider's Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as all other Network Resources.

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

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interconnection Service, any future transmission service request for delivery from the Generating Facility within Transmission Provider's Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Generating Facility outside Transmission Provider's Transmission System, such request may require additional studies and upgrades in order for Transmission Provider to grant such request.

4.2 Provision of Service

Transmission Provider shall provide Interconnection Service for the Generating Facility at the Point of Interconnection.

4.3 Performance Standards

Each Party shall perform all of its obligations under this SGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this SGIA for its compliance therewith. If such Party is the Transmission Provider, then that Party shall amend the SGIA and submit the amendment to the Commission for approval.

4.4 No Transmission Service

The execution of this SGIA does not constitute a request for, nor the provision of, any transmission service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 Interconnection Customer Provided Services

The services provided by Interconnection Customer under this SGIA are set forth in Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

Article 5. Interconnection Facilities Engineering, Procurements and Construction

5.1 Construction Timing

Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and target Commercial

Operation Date. Such dates shall be set forth in Appendix B, Milestones. At the same time, Interconnection Customer shall also indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below.

5.1.1 Reserved

5.1.2 Agreement on Dates

5.1.2.1 If the dates designated by Interconnection Customer are acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and Transmission Provider shall design, procure, and construct Transmission Provider's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Provider 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 labour agreements, and Applicable Laws and Regulations. In the event Transmission Provider reasonably expects that it will not be able to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the specified dates, Transmission Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2.2 If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, Transmission Provider shall so notify 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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades under Article 5.1.3 by the dates specified in Article 5.1.

5.1.2.3 If Interconnection Customer elects not to exercise its option under Article 5.1.2.2, Interconnection Customer shall so notify Transmission Provider within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revisions of the specified dates, the provision of incentives or the procurement and construction of a portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Provider is responsible for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Provider shall assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.2.1.

5.1.3 Option to Build

Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades by the dates specified in Article 5.1. Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. If the Parties disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the Transmission Provider must provide written technical explanation outlining why it does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of a written request from the Interconnection Customer. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.2 General Conditions Applicable to Option to Build

If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades,

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

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

(3) Transmission Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(4) prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider;

(5) at any time during construction, Transmission Provider shall have the right to gain unrestricted access to Transmission Provider'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Provider, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider for claims arising from Interconnection Customer's construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(8) Interconnection Customer shall transfer control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Provider or its designee;

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

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

(12) the Parties shall enter into an agreement setting out the terms and conditions under which the Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades and the transfer of ownership to the Transmission Provider.

5.3 Reserved

5.4 Power System Stabilizers

The Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the Applicable Reliability Standards. Transmission Provider reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement

If responsibility for construction of Transmission Provider's Interconnection Facilities or Network Upgrades is to be borne by Transmission Provider, then Transmission Provider shall commence design of Transmission Provider'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 Transmission Provider has completed the Interconnection Facilities Study pursuant to the Combined Study Agreement;

5.5.2 Transmission Provider has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement

Transmission Provider shall commence construction of Transmission Provider'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 Transmission Provider's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Provider has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.7 Work Progress

The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party may, at any time, request a progress report from the other Party. If, at any time, Interconnection Customer determines that the completion of Transmission Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will

provide written notice to Transmission Provider of such later date upon which the completion of Transmission Provider'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 Transmission Provider's Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Other Interconnection Options

5.9.1 Limited Operation

If any of Transmission Provider's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Facility, Transmission Provider 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 Generating Facility and Interconnection Customer Interconnection Facilities may operate prior to the completion of Transmission Provider's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this SGIA. Transmission Provider shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer Interconnection Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service

The Interconnection Customer may request, prior to completion of requisite Interconnection Facilities, Network Upgrades, and/or System Protection Facilities, Provisional Interconnection Service. The Transmission Provider shall determine, through

available studies or additional studies as necessary and at the Interconnection Customer's expense, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects for Provisional Interconnection Service. Where such available or additional studies indicate that such Interconnection Facilities, Network Upgrades and/or System Protection Facilities that are required for standard Interconnection Service of a new, modified and/or expanded Generating Facility are not currently in place, Transmission Provider will identify the facilities that are required for Provisional Interconnection Service. If the facilities that are required for Provisional Interconnection Service are in place, Transmission Provider may execute a Provisional Standard Generator Interconnection Agreement, or Interconnection Customer may request the filing of a Provisional Standard Generator Interconnection Agreement, in unexecuted form, with the Commission for Provisional Interconnection Service. The maximum permissible output of the Generating Facility in the Provisional Standard Generator Interconnection Agreement shall be studied and updated on a frequency determined by Transmission Provider and at the Interconnection Customer's expense. Interconnection Customer assumes all risk and liabilities with respect to changes between the Provisional Standard Generator Interconnection Agreement and the Standard Generator Interconnection Agreement, including changes in output limits and cost responsibilities for Interconnection Facilities, Network Upgrades and/or System Protection Facilities.

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 and Network Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications

Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Provider 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. Transmission Provider shall review such specifications to ensure that the ICIF are compatible with the technical specifications (including the Technical Interconnection Requirements), operational control, and safety requirements of Transmission Provider and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed Confidential Information.

5.10.2 Transmission Provider's Review

Transmission Provider'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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Provider, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications (including the Technical Interconnection Requirements), operational control, and safety requirements of Transmission Provider.

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, Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 Interconnection Customer's step-up transformers, the facilities connecting the 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 Generating Facility. The Interconnection Customer shall provide Transmission Provider specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Transmission Provider's Interconnection Facilities Construction

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

Transmission Provider will obtain control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

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 no cost to the other 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), or any Affiliate, that are necessary to enable the Access Party 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 Generating Facility with the Transmission System; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of

this SGIA. 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 Transmission Provider's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Provider, Transmission Provider shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, and to the extent consistent with Applicable Laws and Regulations, 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 Transmission Provider's Interconnection Facilities and/or Network Upgrades upon such property.

5.14 Permits

Each Party shall be responsible for obtaining all permits, licenses and authorizations that are necessary for it to accomplish the matters it is obligated to complete hereunder in compliance with Applicable Laws and Regulations. Transmission Provider and Interconnection Customer shall cooperate with each other in good faith in obtaining any such permits, licenses and authorizations. With respect to this paragraph, Transmission Provider shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's, generation.

5.15 Early Construction of Base Case Facilities

Interconnection Customer may request Transmission Provider to construct, and Transmission Provider 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 Transmission System which were included in the Base Case for the Interconnection Facilities Study, 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.

5.16 Suspension

Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this SGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this SGIA 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 Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labour contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to cancelling or suspending any such material, equipment or labour contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs, plus any applicable taxes, pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Transmission Provider required under this SGIA pursuant to this Article 5.16, and has not requested

Transmission Provider to recommence the work required under this SGIA on or before the expiration of three (3) years following commencement of such suspension, this SGIA 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 Transmission Provider, if no effective date is specified.

5.17 Tax Indemnity

Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any current tax liability imposed against Transmission Provider as a result of payments or property transfers made by Interconnection Customer to Transmission Provider under this SGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

5.18 Tax Status

Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this SGIA is intended to adversely affect Transmission Provider's tax exempt status.

5.19 Modification

5.19.1 General

Either Party 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, that Party shall provide to the other Party sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. 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

Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party 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.

In the case of Generating Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, Transmission Provider shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System, Transmission Provider'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 SGIA 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 Transmission Provider makes to Transmission Provider's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Provider's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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. Reserved

Article 7. Reserved

Article 8. Communications

8.1 Reserved

8.2 Reserved

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 a Variable Energy Resource

The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, wind speed, wind direction, and atmospheric pressure. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of

a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy 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 Transmission Provider. Such requirements for meteorological and forced outage data are set forth in Appendix C, Interconnection Details, of this SGIA, as they may change from time to time.

Article 9. Operations

9.1 General

Each Party shall comply with the Applicable Reliability Standards. Each Party shall provide to the other Party all information that may reasonably be required by the other Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Reserved

9.3 Transmission Provider Obligations

Transmission Provider shall cause the Transmission System and Transmission Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with all Operating Orders and this SGIA. Transmission Provider may provide to Interconnection Customer, and Interconnection

Customer will comply with, operating instructions consistent with this SGIA and Transmission Provider's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Interconnection Customer.

9.4 Interconnection Customer Obligations

Interconnection Customer shall at its own expense operate, maintain and control the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA and the Technical Interconnection Requirements. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all Operating Orders and applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this SGIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Either Party may request that the other Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this SGIA.

9.5 Start-Up and Synchronization

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

9.6 Reactive Power and Primary Frequency Response

9.6.1 Power Factor Design Criteria

9.6.1.1 Synchronous Generation

Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.90 lagging, unless the Transmission Provider has established different requirements that apply to all synchronous generators in the Control Area on a comparable basis.

9.6.1.2 Non-Synchronous Generation

Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established a different power factor range that applies to all non-synchronous generators in the Control Area on a comparable basis. This power factor range standard shall be dynamic and can be met 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, or a combination of the two.

9.6.2 Voltage Schedules

Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider shall require Interconnection Customer to operate the Generating Facility to produce or absorb reactive power within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). Transmission Provider's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Provider shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules at least one (1) day in advance and may make changes to such schedules as necessary to maintain the reliability of the Transmission System.

Interconnection Customer shall operate the Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design limitations of the Generating Facility set forth in Article 9.6.1 (Power Factor Design Criteria). If Interconnection Customer is unable to maintain the specified voltage or power factor, it shall promptly notify the Transmission Provider.

9.6.2.1 Voltage Regulators

Whenever the Generating Facility is operated in parallel with the Transmission System and voltage regulators are capable of operation, Interconnection Customer shall operate the Generating Facility with its voltage regulators in automatic operation. If the Generating Facility's voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify Transmission Provider and ensure that such Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Generating Facility's generating unit(s) and steady state stability limits.

9.6.3 Payment for Reactive Power

Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Provider requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1, provided that if Transmission Provider pays its own or affiliated generators for reactive power service within the specified range, it must also pay Interconnection Customer. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise agreed.

9.6.4 Primary Frequency Response

Interconnection Customer shall ensure the primary frequency response capability of its Generating Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term “functioning governor or equivalent controls” as used

herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Generating Facility's real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop and ±0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Applicable Reliability Standard providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Generating Facility, and shall be linear in the range of frequencies between 59 to 61 Hz that are outside of the deadband parameter; or (2) based an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Generating Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Generating Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Applicable Reliability Standard providing for an equivalent or more stringent parameter. Interconnection Customer shall notify Transmission Provider that the primary frequency response capability of the Generating Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Interconnection Customer shall operate the Generating Facility consistent with the provisions specified in Articles 9.6.4.1 and 9.6.4.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and those non-synchronous Generating Facilities that have not yet provided confirmation

under the Combined Study Agreement that they wish to proceed with an Interconnection Facilities Study. Interconnection Customer shall not cause its Generating Facility to disconnect automatically or instantaneously from the Transmission System or trip any generating unit comprising the Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the Control Area on a comparable basis.

9.6.4.1 Governor or Equivalent Controls.

Whenever the Generating Facility is operated in parallel with the Transmission System, Interconnection Customer shall operate the Generating Facility with its governor or equivalent controls in service and responsive to frequency. Interconnection Customer shall: (1), in coordination with Transmission Provider, set the deadband parameter to: (1) a maximum of ±0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved Applicable Reliability Standard that provides for equivalent or more stringent parameters. Interconnection Customer shall be required to provide the status and settings of the governor or equivalent controls to Transmission Provider and/or the relevant balancing authority upon request. If Interconnection Customer needs to operate the Generating Facility with its governor or equivalent controls not in service, Interconnection Customer shall immediately notify Transmission Provider and provide it with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service. Interconnection Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Interconnection Customer shall make Reasonable Efforts to keep outages of the Generating Facility's governor or

equivalent controls to a minimum whenever the Generating Facility is operated in parallel with the Transmission System.

9.6.4.2 Timely and Sustained Response.

Interconnection Customer shall ensure that the Generating Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided without undue delay and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Generating Facility has operating capability in the direction needed to correct the frequency deviation. Interconnection Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Generating Facility shall sustain the real power response at least until system frequency returns to a stable value within the deadband setting of the governor or equivalent controls. An Applicable Reliability Standard with equivalent or more stringent requirements shall supersede the above requirements.

9.6.4.3 Reserved

9.6.4.4 Electric Storage Resources

Interconnection Customer interconnecting an electric storage resource shall establish an operating range in Appendix A of the SGIA that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Articles 9.6.4, 9.6.4.1 and 9.6.4.2 of this Agreement.

Appendix A shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband

parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resource due to manufacturer specifications; and (6) any other relevant factors agreed to by Transmission Provider and Interconnection Customer. If the operating range is dynamic, then Appendix A must establish how frequently the operating range will be re-evaluated and the factors that may be considered during its re-evaluation.

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Article 9.6.4.2 of this Agreement when it is online and dispatched to inject electricity to the Transmission System and/or receive electricity from the Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the Transmission System and/or dispatched to receive electricity from the Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under- frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

In accordance with Good Utility Practice and in coordination with the other Party, the Interconnection Customer may remove the Interconnection Customer's Interconnection Facilities, and the Transmission Provider may remove the Transmission Provider's

Interconnection Facilities or any part of the Transmission System, from service that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to the Parties. In all circumstances any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal. Neither Party shall be liable to the other for damages of any kind in connection with any such outage.

9.7.1.2 Outage Schedules

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

9.7.1.3 Outage Restoration

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

9.7.2 Interruption of Service

If required by Good Utility Practice to do so, Transmission Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

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

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission System;

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

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

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

9.7.2.6 Neither Party shall be liable to the other for damages of any kind in connection with any such curtailment, interruption or reduction.

9.8 Switching and Tagging Rules

Each Party shall provide the other Party 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 Facility

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 Generating Facility to the 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 Transmission Provider's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Transmission Provider's Interconnection Facilities from all third party users based upon the pro rata use of the Transmission Provider's Interconnection Facilities by 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 Transmission Provider's Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by 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 Generating Facility or Transmission Provider's Transmission System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

Article 10. Maintenance

10.1 Transmission Provider Obligations

Transmission Provider shall maintain the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA.

10.2 Interconnection Customer Obligations

Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA.

10.3 Coordination

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

10.4 Secondary Systems

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

10.5 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 Transmission Provider's Interconnection Facilities.

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer Interconnection Facilities described in Appendix A, Interconnection Facilities and Network Upgrades, at its sole expense.

11.2 Transmission Provider's Interconnection Facilities

Transmission Provider shall design, procure, construct, install, own and/or control Transmission Provider's Interconnection Facilities described in Appendix A, Interconnection Facilities and Network Upgrades, at the sole expense of the Interconnection Customer and Interconnection Customer shall provide security for the costs of such TPIF in accordance with Article 11.5 of this Agreement.

11.3 Network Upgrades

Transmission Provider shall design, procure, construct, install, and own the Network Upgrades described in Appendix A, Interconnection Facilities and Network Upgrades. Transmission Provider shall fund the costs for the Network Upgrades and

Interconnection Customer shall provide security for the costs of such Network Upgrades in accordance with Article 11.5 of this Agreement.

11.3.1 On the Commercial Operation Date, Interconnection Customer shall also provide security in accordance with Article 11.5 of this Agreement for any amounts that Transmission Provider is obligated to pay to third parties in accordance with provisions in other Standard Generator Interconnection Agreements similar to Article 11.4.2 of this Agreement as a result of the Generating Facility's use of network upgrades funded by such third parties.

11.4 Credits and Repayments

11.4.1 Reserved

11.4.2 Repayment on Failure to Achieve Commercial Operation

If the Generating Facility fails to achieve Commercial Operation, this Agreement is terminated, and another generating facility subsequently makes use of the Network Upgrades constructed pursuant to this Agreement, Transmission Provider shall at that time reimburse Interconnection Customer for the amounts collected on the security provided by Interconnection Customer pursuant to Section III.D.(b) and Section III.D.(c) of Attachment O of the Tariff, for those Network Upgrades used by the other generating facility, as reasonably determined by BC Hydro. This Article 11.4.2 shall survive the termination of this Agreement.

11.4.3 Deferral Credits

Where Interconnection Customer satisfies the eligibility criteria set out in Attachment N to the Tariff, Interconnection Customer shall, in addition to any payments provided for in Article 11.4.2, be entitled to Deferral Credits against the non-usage sensitive portion of transmission charges as provided for in Attachment N to the Tariff.

11.4.4 Other Rights

Notwithstanding any other provision of this SGIA, 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 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, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Generating Facility.

11.5 Provision of Security

At least thirty (30) Calendar Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of Transmission Provider's Interconnection Facilities or the Network Upgrades, Interconnection Customer shall provide Transmission Provider a standby irrevocable letter of credit or other form of security that is reasonably acceptable to Transmission Provider and otherwise meets the requirements of Attachment O to the Tariff. Such security shall be granted in favour of Transmission Provider. The security shall be in an amount equal to the amount required by Article 11.3.1 of this Agreement plus an amount sufficient to cover the costs for designing, constructing, procuring and installing the applicable portion of the Network Upgrades and the Transmission Provider's Interconnection Facilities plus in respect of security for the TPIF taxes that would apply when Interconnection Customer is invoiced by Transmission Provider for such costs. The security for the TPIF shall be reduced from time to time to the extent the amount exceeds the Transmission Provider’s good faith estimate of the remaining costs to complete the applicable portion of Transmission Provider’s Interconnection Facilities plus taxes that would apply when Interconnection Customer is invoiced by Transmission Provider for such remaining costs.

11.6 Interconnection Customer Compensation

If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Article 13.5.1 of this SGIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable Commission-approved rate schedule in effect. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with the Commission. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any reactive power under this SGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at the Commission or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition

Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

Article 12. Invoice

12.1 General

Each Party may submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month, plus any applicable taxes. 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 under this SGIA, 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 Transmission Provider's Interconnection Facilities, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities, plus any applicable taxes, 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. Transmission Provider 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.

12.3 Payment Invoices

Payment Invoices shall be rendered to the paying Party at the address specified in Appendix E. 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 either Party will not constitute a waiver of any rights or claims either Party may have under this SGIA.

12.4 Disputes

In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this SGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 Transmission Provider 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 which shall be calculated in accordance with the provisions in the Tariff.

Article 13. Emergencies

13.1 Definition

"Emergency Condition" shall mean a condition or situation: (i) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (ii) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, Transmission Provider's Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (iii) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by this SGIA to possess black start capability.

13.2 Obligations

Each Party shall comply with the Emergency Condition procedures of the Applicable Reliability Standards, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice

Transmission Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Provider's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Provider'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 Transmission Provider'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.

13.4 Immediate Action

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

13.5 Transmission Provider Authority

13.5.1 General

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

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider may, on the basis of technical considerations, require the Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.5.2 Reduction and Disconnection

Transmission Provider may reduce Interconnection Service or disconnect the Generating Facility or Interconnection Customer's Interconnection Facilities, when such,

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

13.6 Interconnection Customer Authority

Consistent with Good Utility Practice and the SGIA and the SGIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or 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 Transmission System and Transmission Provider's Interconnection Facilities. Transmission Provider shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability

Except as otherwise provided in Article 11.6.1 of this SGIA, neither Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements

Each Party's obligations under this SGIA 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.

14.2 Governing Law

14.2.1 The validity, interpretation and performance of this SGIA and each of its provisions shall be governed by the laws of British Columbia, without regard to its conflicts of law principles.

14.2.2 This SGIA 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 SGIA, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with Canada Post 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 E, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this SGIA 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 E.

15.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by a Party to the other 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 E.

15.4 Operations and Maintenance Notice

Each Party shall notify the other Party 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 Neither Party shall 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 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 labour disturbance.

Article 17. Default

17.1 Default

17.1.1 General

No Default 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 SGIA or the result of an act of omission of the other Party. 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 Default 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 Default 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 shall have the right to declare a Default and terminate this SGIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that

Party terminates this SGIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this SGIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity

Each Party shall at all times indemnify, defend, and hold the other Party, and its directors, officers, employees, agents and shareholders (each, an Indemnified Person) 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, legal fees, and all other obligations by or to third parties, arising out of or resulting from a Party's Breach, except in cases of gross negligence or intentional wrongdoing by the other 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 such 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 unreasonably withheld, conditioned or delayed.

18.2 Consequential Damages

In no event shall either Party be liable under any provision of this SGIA 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

Each Party shall, at its own expense, maintain in force throughout the period of this SGIA, and until released by the other Party, the following minimum insurance coverages, with insurers authorized to do business in British Columbia:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with Applicable Laws and Regulations.

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, and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees (Other Party Group) as additional insureds. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this SGIA against the Other Party Group and provide thirty (30) 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 polices 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 SGIA, 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 SGIA.

18.3.9 Within ten (10) days following execution of this SGIA, 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 SGIA, 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 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 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 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 SGIA.

Article 19. Assignment

19.1 Assignment

This SGIA may be assigned by either Party only with the written consent of the other; provided that either Party may assign this SGIA without the consent of the other Party 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 SGIA; and provided further that Interconnection Customer shall have the right to assign this SGIA, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by 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 Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider 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 SGIA 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 SGIA 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 SGIA.

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 relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of this SGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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.

Notwithstanding the foregoing, the release of Confidential Information shall be subject to Applicable Laws and Regulations and Applicable Reliability Standards.

22.1.1 Term

During the term of this SGIA, and for a period of three (3) years after the expiration or termination of this SGIA, 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 other Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the other Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this SGIA; or (6) is required, in accordance with Article 22.1.7 of the SGIA, 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 SGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.1.3 Release of Confidential Information

Subject to Article 22.1.6, neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), contractors, subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a

need-to-know basis in connection with this SGIA, 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. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

22.1.5 No Warranties

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

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 and its Affiliates may use Confidential Information solely to fulfill its obligations to the other Party under this SGIA or as required by Applicable Law and Regulations, Applicable Reliability Standards or Good Utility Practice. Notwithstanding the foregoing, Transmission Provider and its Affiliates may disclose Confidential Information to reliability organizations, regional transmission organizations, independent system operators, market operators, resource

adequacy program administrators, energy and environmental regulators or other similar organizations.

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

22.1.8 Termination of Agreement

Upon termination of this SGIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of

damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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

Notwithstanding anything in this Article 22 to the contrary, if the Commission 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 SGIA, the Party shall provide the requested information to the Commission within the time provided for in the request for information. In providing the information to the Commission, the Party must request that the information be treated as confidential and non-public by the Commission and that the information be withheld from public disclosure.

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 SGIA (Confidential Information) shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this SGIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to a subregional, regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims

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

Article 23. Environmental Releases

23.1 Notice of Release

Each Party shall notify the other Party, 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 Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. 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 hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

Article 24. Information Requirements

24.1 Information Acquisition

Transmission Provider and Interconnection Customer 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 and the requirements and procedures of applicable reliability organizations.

24.2 Information Submission by Transmission Provider

The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider'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 Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed copy of the Generating Facility data requirements contained in Appendix 1 to the SGIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility Study and Interconnection Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Combined Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on Transmission Provider

Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation

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

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in 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 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 Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, Interconnection Customer shall provide Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Provider shall provide Interconnection Customer any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Provider operated substation that

may affect Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

Article 25. Information Access And Audit Rights

25.1 Information Access

Each Party (the disclosing Party) shall make available to the other Party information that is in the possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this SGIA; and (ii) carry out its obligations and responsibilities under this SGIA. 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 SGIA.

25.2 Reporting of Non-Force Majeure Events

Each Party (the notifying Party) shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this SGIA 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 SGIA.

25.3 Audit Rights

Subject to the requirements of confidentiality under Article 22 of this SGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records

pertaining to either Party's performance or either Party's satisfaction of obligations under this SGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the 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 SGIA. 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 Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider'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 either Party’s performance or satisfaction of all obligations under this SGIA 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 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 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 together with those records from the audit which support such determination.

Article 26. Subcontractors

26.1 General

Nothing in this SGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this SGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this SGIA in providing such services and each Party shall remain primarily liable to the other Party 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 SGIA. The hiring Party shall be fully responsible to the other Party 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 Transmission Provider be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this SGIA. Any applicable obligation imposed by this SGIA 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

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the other Party's failure to comply with this SGIA, such dispute or claim shall be resolved in accordance with Dispute Resolution.

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 jurisdiction in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in British Columbia; 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 SGIA 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 SGIA.

28.1.2 Authority

Such Party has the right, power and authority to enter into this SGIA, to become a party hereto and to perform its obligations hereunder. This SGIA 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 SGIA 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 SGIA 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 SGIA, and it will provide to any Governmental Authority notice of any actions under this SGIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee

Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Interconnection Customer shall notify Transmission Provider of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this SGIA. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by

the Joint Operating Committee shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Establish Operating Order(s) that will, without limitation, establish operating authority boundaries and isolation procedures for the Generating Facility and that part of the Transmission System which is affected by its interconnection to the Generating Facility.

29.1.7 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect

This SGIA 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 SGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this SGIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation

This SGIA, 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 SGIA, 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 SGIA), 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 SGIA or such Appendix to this SGIA, or such Section to the SGIP or such Appendix to the SGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this SGIA 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

This SGIA, 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 SGIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this SGIA.

30.5 No Third Party Beneficiaries

This SGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favour 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 SGIA to insist, on any occasion, upon strict performance of any provision of this SGIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this SGIA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this SGIA. Termination or Default of this SGIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this SGIA shall, if requested, be provided in writing.

30.7 Headings

The descriptive headings of the various Articles of this SGIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this SGIA.

30.8 Multiple Counterparts

This SGIA 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 SGIA 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 SGIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this SGIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights

Transmission Provider and Interconnection Customer shall each have the right to make a unilateral filing with the Commission to modify this SGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before the Commission in which such modifications may be considered.

30.12 No Partnership

This SGIA 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 either Party. Neither 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 Party.

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

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

By: _____

Name/Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Name/Title: _____

Date: _____

APPENDIX A to SGIA

Interconnection Facilities and Network Upgrades

1. Interconnection Facilities:

   (a) [insert Interconnection Customer's Interconnection Facilities]:

   (b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

   (a) [insert Stand Alone Network Upgrades]:

   (b) [insert Other Network Upgrades]:

3. Contingent Facilities:

   (a) [insert Contingent Facilities]:

APPENDIX B to SGIA

Milestones

APPENDIX C to SGIA

Interconnection Details

APPENDIX D to SGIA

Commercial Operation Date

This Appendix D is a part of the SGIA between Transmission Provider and Interconnection Customer.

[Date]

BC Hydro
[To be supplied.]

Attention: [To be supplied]

Re: _____ Generating Facility

Dear _____:

On [Date] [Interconnection Customer] has completed Trial Operation of Unit No. ___. This letter confirms that [Interconnection Customer] commenced Commercial Operation of Unit No. ___ at the Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX E to SGIA

Addresses for Delivery of Notices and Billings

Notices:

Transmission Provider:

BC Hydro
[To be supplied.]

Attention: [To be supplied]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX F to SGIA

Reserved

APPENDIX G to SGIA

Dispute Resolution Procedure

1. Internal Dispute Resolution Procedures

Any dispute between the Interconnection Customer and Transmission Provider involving Interconnection Service under the Tariff or this SGIA (excluding applications for rate changes or other changes to the Tariff which shall be presented directly to the Commission for resolution) shall be referred to a designated senior representative of the Transmission Provider and a senior representative of the Interconnection Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) Calendar Days or such other period as the Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

2. External Arbitration Procedures

Any arbitration initiated pursuant to Paragraph 1 above shall be conducted in British Columbia 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 referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters 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 conduct the arbitration in British Columbia and shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the British Columbia *Arbitration Act*.

3. Arbitration Decisions

Unless otherwise agreed, 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 therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and this SGIA, as applicable, and shall have no power to modify or change any of them 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 of the British Columbia *Arbitration Act*. The final decision of the arbitrator must also be filed with the Commission if it affects the Transmission Provider's rates, terms and conditions of service or facilities.

4. Costs

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

(a) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or

(b) one half the cost of the single arbitrator jointly chosen by the Parties.

5. Rights Under The British Columbia *Utilities Commission Act*

Nothing in this dispute resolution procedure shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the British Columbia *Utilities Commission Act*.

ATTACHMENT M-2

Transmission Service and Interconnection Service Procedures for Competitive Electricity Acquisition Processes (CEAPs)

1. Preamble

This attachment contains certain replacement and additional procedures required in order for interconnection customers to obtain NRIS, and for Network Customers to obtain modifications to its Network Integration Transmission Service, for generation resources participating in and selected in a Competitive Electricity Acquisition Process.

2. Definitions

Capitalized words not defined in this section 2 of Attachment M-2 shall be given the meanings ascribed to them elsewhere in this Tariff.

Competitive Electricity Acquisition Process (CEAP) means a competitive process initiated by a Network Customer to acquire electricity from CEAP Generators.

CEAP Generator means a generation resource that is the subject of a CEAP IR, and **CEAP Generators** means all such generation resources.

CEAP IR means an Interconnection Request for Network Resource Interconnection Service received from a Participant on the CEAP IR Submission Date in accordance with the provisions of this Attachment M-2 and Section 3.4.1 of the SGIP.

CEAP IR Submission Date means the date specified by a Network Customer for the submission of CEAP IRs in connection with any CEAP.

CEAP Transmission Information means information relating to the Transmission System that could assist in evaluating the incremental costs to a Network Customer for its Network Integration Transmission Service if it were to designate CEAP Generators as

Network Resources, including without limitation transmission cut-planes and reinforcement options.

D-Connected CEAP Generator means a generation resource, the proponent of which is participating in a CEAP, but for which no CEAP IR is submitted because the generation resource is seeking interconnection to the Network Customer's distribution system.

Optional CEAP Studies means studies involving the Transmission System or CEAP IRs or both that could assist a Network Customer in selecting the Successful Participants.

Participant means the proponent of a CEAP Generator, and **Participants** means all such proponents.

Reasonable Efforts means efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a person would use to protect the person's own interests.

SGIP means Attachment M-1 of the Tariff.

Successful Participant means a Participant with whom a Network Customer is prepared to contract with for the supply of power in connection with any CEAP.

Workshop means the workshop referred to in Paragraph 4.3 below.

3. Relationship with Tariff

The provisions of the balance of the Tariff apply to CEAP IRs and any Applications for a modification to NITS received by the Transmission Provider in connection with any CEAP, except as otherwise specifically provided in this Attachment M-2.

4. CEAP Procedures

4.1 Advanced Notice of CEAP

A Network Customer that wishes to avail itself of the provisions of this Attachment M-2 in connection with a CEAP, and make the provisions of this Attachment M-2 available to Participants in that CEAP, shall provide the Transmission Provider with at least 60 Calendar Days' prior written notice before formally issuing or commencing the CEAP.

4.2 Consultation

A Network Customer and the Transmission Provider shall consult during the period beginning on receipt by the Transmission Provider of the notice contemplated by Paragraph 4.1 and ending on the date the CEAP Transmission Information is provided to the Network Customer in respect of the following:

(a) Design considerations for the CEAP for coordination with the Tariff;

(b) Milestones for activities to be undertaken pursuant to this Attachment M-2;

(c) Scope and volume of CEAP Transmission Information;

(d) Scope and volume of Optional CEAP Studies;

(e) Date of the Workshop; and

(f) Coordination of studies related to D-Connected CEAP Generators.

The purpose of the consultation is to assist the Network Customer in designing and implementing a CEAP process that meets the Network Customer's needs and integrates with the Tariff, including the timelines provided for in this Attachment M-2.

4.3 Workshop

At Network Customer's request, or in the absence of such a request at Transmission Provider's option, Transmission Provider shall provide a workshop for Participants in respect of CEAP IR requirements at least 30 Calendar Days before the CEAP IR Submission Date.

4.4 Pre-Submission of CEAP IRs

Each Participant must submit an Interconnection Request for each of its CEAP Generators to the Transmission Provider at least 30 Calendar Days before the CEAP IR Submission Date. Sections 3.4.2, 3.4.3 and Appendix 1 (including Attachments) of the SGIP apply in respect of these Interconnection Requests.

4.5 CEAP IR Submission Date

A Network Customer shall specify a CEAP IR Submission Date for every CEAP. Notwithstanding Sections 3.4.1 and 3.4.3 of the SGIP, only valid Interconnection Requests received by the Transmission Provider from Participants on or before the CEAP IR Submission Date, together with an executed Interconnection Feasibility Study Agreement and the deposits required by Sections 3.4.1 and 6.1 of the SGIP, will be accepted by the Transmission Provider as CEAP IRs and processed in accordance with this Attachment M-2. Section 3.4.4 of the SGIP does not apply to CEAP IRs. Section 3.5 of the SGIP only applies to CEAP IRs from and after the CEAP IR Submission Date.

4.6 CEAP IR Queue Position

Notwithstanding the definition of Queue Position in the SGIP, the Queue Position for CEAP IRs shall be deemed to have been received simultaneously at 12:00 AM on that CEAP IR Submission Date and each shall be assigned the same Queue priority.

4.7 Interconnection Feasibility Studies

The Transmission Provider shall complete an Interconnection Feasibility Study for each CEAP IR in accordance with Section 6 of the SGIP except as follows:

(a) Notwithstanding Section 6.2 of the SGIP, the Interconnection Feasibility Study for each CEAP IR will not consider the other CEAP IRs;

(b) Notwithstanding Section 6.3 of the SGIP, Transmission Provider shall use Reasonable Efforts to complete all Interconnection Feasibility Studies for the CEAP IRs within 10 weeks of the CEAP IR Submission Date;

(c) Notwithstanding Sections 6.3 and 3.5 of the SGIP, Transmission Provider shall deliver all Interconnection Feasibility Studies to Participants on the same day, and shall only post the Interconnection Feasibility Study reports to its OASIS site in accordance with Paragraph 4.10 below; and

(d) Notwithstanding Section 6.1 of the SGIP, substitute Points of Interconnection shall not be available.

4.8 CEAP Transmission Information

The Transmission Provider shall use Reasonable Efforts to publish publicly the CEAP Transmission Information requested by the Network Customer during the consultation contemplated by Paragraph 4.2 above no later than the date on which it delivers the Interconnection Feasibility Study reports to Participants as contemplated by Paragraph 4.7 above. The Transmission Provider shall use Reasonable Efforts to account for all pending Applications received at least 60 Calendar Days immediately prior to the CEAP IR Submission Date and all Applications for Point-to-Point Transmission Service received prior to the CEAP IR Submission Date in the CEAP Transmission Information.

4.9 Optional CEAP Studies

The Transmission Provider shall use Reasonable Efforts to complete and report on the Optional CEAP Studies requested by the Network Customer within 26 weeks of the CEAP IR Submission Date. The Network Customer may not request Optional CEAP Studies that cannot be reasonably completed by the Transmission Provider within that 26-week period. If the Optional CEAP Studies require the use of information contained in the CEAP IRs, the Network Customer must obtain the Participants' consent to the use of such information in the Optional CEAP Studies.

4.10 Selection of Successful Participants

Within 30 weeks of the CEAP IR Submission Date or 4 weeks after receipt by the Network Customer of the Optional CEAP Studies, whichever is later, the Network Customer shall provide written notice to the Transmission Provider of the Successful Participants and shall submit an Application for a modification of its NITS to address the following, and only the following, matters:

(a) designating the Successful Participants as Network Resources in accordance with Section 29 of the Tariff; and

(b) as necessary to reflect the selection by the Network Customer as part of the same CEAP of D-Connected CEAP Generators in respect of which the Network Customer is reasonably likely to contract for the supply of power.

Within three Business Days of receiving that notice and Application from the Network Customer, the Transmission Provider shall post the Interconnection Feasibility Study reports contemplated by Paragraph 4.7 above to its OASIS site.

If the Network Customer provides such notice and submits such an Application the CEAP IRs of Participants other than Successful Participants will be deemed withdrawn pursuant to Section 3.7 of the SGIP. If the Network Customer fails to provide such notice

or fails to make such an Application, all Participants' CEAP IRs will be deemed withdrawn pursuant to Section 3.7 of the SGIP.

4.11 Timing of Combined Study Agreement

Notwithstanding Section 7.1 of the SGIP, the Transmission Provider shall only tender a Combined Study Agreement to Successful Participants. Transmission Provider shall tender a Combined Study Agreement to a Successful Participant no later than seven Calendar Days after the Transmission Provider receives the Network Customer's written notice of the Successful Participants pursuant to Paragraph 4.10 above. If a Successful Participant fails to return an executed Combined Study Agreement and deposit as required by Section 7.2 of the SGIP to the Transmission Provider within 30 Calendar Days of its tender, the Successful Participant's CEAP IR will be deemed withdrawn pursuant to Section 3.7 of the SGIP.

4.12 Deemed Withdrawal of CEAP IR

The CEAP IRs of any Participant that is no longer eligible to participate in the CEAP for any reason, or any Participant that does not comply with the requirements of this Attachment M-2, will be deemed withdrawn pursuant to Section 3.7 of the SGIP.

4.13 Standards of Conduct Prevail

Except as specifically provided for herein, nothing herein shall detract from or limit the Transmission Provider's obligations to comply with its Standards of Conduct.

5. Multiple CEAPs

Subject to any relief obtained by a Network Customer pursuant to Paragraph 7.1, if a Network Customer issues or commences a CEAP with a CEAP IR Submission Date less than one year after the CEAP IR Submission Date of any other CEAP issued or commenced by that Network Customer, then:

(a) Section 4 of this Attachment M-2, as modified by paragraphs (b) to (f) below, will apply in respect of the second CEAP, and section 6 of this Attachment M-2 will not apply in respect of the second CEAP;

(b) The Transmission Provider will not consider any of the CEAP IRs in connection with the second CEAP in any System Impact Study, Facilities Study or Interconnection Study commenced before the Transmission Provider receives the Network Customer's written notice of the Successful Participants pursuant to Paragraph 4.10 above in connection with the second CEAP;

(c) When received by the Transmission Provider, the Network Customer's Application for a modification to its NITS pursuant to Paragraph 4.10 above in connection with the second CEAP will have a deemed service priority as though it had been received at 12:00 AM on the second CEAP's CEAP IR Submission Date, immediately after the CEAP IRs in connection with the second CEAP;

(d) Where as a result of Paragraph 5(b) or Paragraph 5(c), a restudy of any:

i. System Impact Study or Facilities Study completed in connection with any Application with a lower service priority to the Network Customer's Application for a modification to its NITS pursuant to Paragraph 4.10 above in connection with the second CEAP; or

ii. Interconnection Study completed in connection with any Interconnection Request with a lower Queue Position than the CEAP IRs in connection with the second CEAP,

is or would be necessary, then in respect of such Interconnection Request or Application:

iii. the Network Customer will indemnify and save harmless the Transmission Provider, and the Interconnection Customer associated with

such Interconnection Request or the Transmission Customer associated with such Application as applicable, from and against:

A. all restudy costs; and

B. the costs of the Interconnection Facilities or Direct Assignment Facilities, as applicable, identified by the restudy to the extent they: (x) are incremental to the costs of the Interconnection Facilities or Direct Assignment Facilities, as applicable, identified by the original study; and (y) arise as a result of Paragraph 5(b) or Paragraph 5(c); and

iv. notwithstanding anything else contained in the Tariff, the Network Customer may be required and such Interconnection Customer or such Transmission Customer, as applicable, will not be required to post Security in respect of the costs of any Network Upgrades identified by the restudy to the extent they: (x) are incremental to the costs of the Network Upgrades identified by the original study; and (y) arise as a result of Paragraph 5(b) or Paragraph 5(c);

(e) Where the Transmission Provider has not completed sufficient study work in respect of a pending Interconnection Request or Application by the second CEAP's CEAP IR Submission Date to identify its impacts to the Transmission System, the Transmission Provider will not consider such Application or Interconnection Request in any of the Interconnection Feasibility Studies or Optional CEAP Studies it conducts in connection with the second CEAP; and

(f) Where after completing sufficient study work in respect of a pending Interconnection Request or Application referred to in Paragraph 5(e) a restudy of a CEAP IR in connection with the second CEAP is or would be necessary then in respect of such CEAP IR:

i. the Network Customer will indemnify and save harmless the Transmission Provider, and the Interconnection Customer associated with such CEAP IR from and against:

A. all restudy costs; and

B. the costs of the Interconnection Facilities identified by the restudy to the extent they: (x) are incremental to the costs of the Interconnection Facilities identified by the original study; and (y) arise as a result of the completed study work in respect of a pending Interconnection Request or Application referred to in Paragraph 5(e); and

ii. notwithstanding anything else contained in the Tariff, the Network Customer may be required and such Interconnection Customer will not be required to post Security in respect of the costs of any Network Upgrades identified by the restudy to the extent they: (x) are incremental to the costs of the Network Upgrades identified by the original study; and (y) arise as a result of the completed study work in respect of a pending Interconnection Request or Application referred to in Paragraph 5(e).

6. Processing Other Service Requests

6.1 Processing of Interconnection Requests with Lower Queue Positions

Notwithstanding section 6.1 of the SGIP, the Transmission Provider shall not tender an Interconnection Feasibility Study Agreement to any Interconnection Customer with an Interconnection Request with a lower Queue Position than the CEAP IRs until the earlier of:

(a) the Network Customer's selection of the Successful Participants; and

(b) a determination by the Transmission Provider that: (i) none of the CEAP IRs could affect the Interconnection Study results of such Interconnection Request with the lower Queue Position; and (ii) no Interconnection Request with a higher Queue Position in respect of which the Transmission Provider has not yet tendered an Interconnection Feasibility Study Agreement could affect the Interconnection Study results of such Interconnection Request with the lower Queue Position.

6.2 Processing of Transmission Requests

Notwithstanding Part II and Part III of the Tariff, all Applications received by the Transmission Provider from and after the CEAP IR Submission Date until the Network Customer submits its Application for a modification to its NITS pursuant to Paragraph 4.10 above shall be deemed to have been received by the Transmission Provider, in the same order as originally received by the Transmission Provider, but immediately after the Network Customer's Application for a modification to its NITS made pursuant to Paragraph 4.10 above or, if no such Application is made, then beginning at 12:00 AM on the date such Application was to have been made, provided however, where the Transmission Provider is able to determine based on:

(a) the CEAP IRs and corresponding Interconnection Feasibility Studies;

(b) any studies completed by the Transmission Provider at the Network Customer's request in respect of D-Connected CEAP Generators; and

(c) Applications with a higher service priority,

that the processing of such an Application will not affect the System Impact Study results or Facilities Study results of:

(d) the Network Customer's Application for a modification to its NITS pursuant to Paragraph 4.10; or

(e) all Applications with a higher service priority whose processing has been delayed because of this Paragraph 6.2,

the Transmission Provider shall process such Application in accordance with the Tariff.

7. Relief from Requirements of this Attachment M-2

7.1 Application to the Commission for Relief

A Network Customer may apply to the Commission for relief from one or more of the requirements contained in this Attachment M-2 where a variance serves the broader public interest.

ATTACHMENT N

Deferral Credits for Long Term Point-To-Point Customers Who Participate in a Dispatch Option During Critical Peak Periods

1. Eligibility

This Deferral Credit only applies to an Interconnection Customer (Customer) that: (i) applies for interconnection of a new or refurbished Generating Facility that has not achieved Commercial Operation prior to the effective date of this Attachment, and that results in net generating capacity in excess of the highest net generating capacity provided by existing facilities at that location in the most recent five years; and (ii) enters into a Dispatch Option with the Transmission Provider with respect to that Generating Facility.

2. Definitions

(a) System Plan Network Upgrade has the same meaning as in Attachment O.

(b) Dispatch Option is an agreement between BC Hydro and the Customer, under which the Transmission Provider may dispatch a Generating Facility during critical peak periods to provide additional capacity on the transmission system

3. Deferral Credit Calculation

(a) The Deferral Credit is the larger of zero or:

$$DC = 0.75 \times (O - N - E)$$

Where

DC = Deferral Credit

O = the present value of the estimated cost of the Transmission Provider's System Plan Network Upgrades including the Customer's PTP service without a Dispatch Option.

N = the present value of the estimated cost of the Transmission Provider's System Plan Network Upgrades that, in the judgment of the Transmission Provider acting reasonably, would be required with the Customer's Dispatch Option.

E = the present value of any incremental operating and maintenance expenses occasioned by the change in the System Impact Study due to Customer's PTP service.

The interest rate used for discounting costs will be the prevailing discount rate used in the Transmission Provider's most recent System Plan.

(b) The calculations in section 3(a) shall be conducted with the following conditions.

i. The present value for N and O are calculated over the term of the Dispatch Option, except where the deferral of System Plan Network Upgrades results in deferred expenditures beyond the Dispatch Option's term, in which case the present value period shall be extended until the date the System Plan indicates those deferred expenditures will be incurred.

ii. The timing of the construction of System Plan Network Upgrades used for O shall reflect the timing of construction contemplated by the Transmission Provider's System Plan but adjusted for the impacts of any PTP contracts that the Transmission Provider has issued since the date of the last System Plan.

4. Deferral Credit Payments

(a) Customer will receive a monthly Deferral Credit equal to its bill for PTP transmission services in connection with the output of the Generating Facility that is the subject of the Dispatch Option on the LTF PTP rate schedule excluding the costs of scheduling, losses and ancillary services.

(b) The Transmission Provider will reduce the balance of the outstanding Deferral Credit by the amount credited to the Customer on its bill.

(c) As long as the Customer continues to take LTF PTP service in connection with the output of the Generating Facility that is the subject of the Dispatch Option, the Customer will continue to receive a Deferral Credit until the balance of the Deferral Credit is reduced to zero.

(d) The Transmission Provider will compute and provide an initial forecast of the time required to amortize and reduce the entire amount of the Deferral Credit as provided for herein to zero. The Transmission Provider will track remaining credit balances for all Customers and notify them of material changes in the amortization period due to LTF PTP rate changes.

(e) If a Customer is entitled to Deferral Credits and has provided the Transmission Provider security for Network Upgrades in connection with Attachment O, the Transmission Provider will apply the Deferral Credits against the Customer's transmission service bill, and reduce amount of the Security by an equivalent amount. That reduction is in addition to any reduction in the amount of the Security that the Customer is entitled to pursuant Section III.D.3 of Attachment O for any portion of the Customer's transmission service bill actually paid by the Customer.

(f) If the Transmission Provider determines, through its sole judgment, that the Customer does not meet the operating characteristics or fails to meet performance requirements necessary to support the deferral of System Plan Network Upgrades, the Transmission Provider may suspend or cancel the application of the monthly Deferral Credit.

ATTACHMENT O

Recovery of New Facilities Costs

I. Development of System Plan

The Transmission Provider will develop an annual System Plan to assure that sufficient transmission capacity exists to serve all Long-Term Firm Point-to-Point (LTF PTP) Service and Network Integration Transmission Service (NITS) commitments.

The annual System Plan will be developed based on current NITS and LTF PTP Service commitments with their rollover rights and the annual load forecast provided by the Network Customer as required by Section 31.6 of this Tariff.

II. Definitions

Capitalized words not defined in this Section II of Attachment O shall be given the meanings ascribed to them elsewhere in this Tariff.

A. Direct Assignment Facilities

Direct Assignment Facilities are facilities or portions of facilities that are constructed by the Transmission Provider for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and may be subject to Commission approval.

B. Transmission Provider Interconnection Facilities

Transmission Provider Interconnection Facilities are all facilities and equipment owned, controlled or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A of the Standard Generator Interconnection Agreement (SGIA) with any generator, including any modifications, additions or upgrades to such facilities

and equipment. Transmission Provider's Interconnection Facilities are sole use facilities and shall not include Stand Alone Network Upgrades or Network Upgrades.

C. System Plan Network Upgrades

System Plan Network Upgrades are modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System identified in the development of the System Plan as necessary to maintain reliable service for long-term firm service commitments including:

1. LTF PTP Services, including import, export and flow through services; and

2. NITS, as required to accommodate expected load growth, but excluding Network Upgrades identified in NRIS Interconnection Studies.

D. Network Upgrades

Network Upgrades are modifications or additions to transmission-related facilities that are not System Plan Network Upgrades. Network Upgrades for:

1. LTF PTP Service is defined in Section 1.26 of Terms and Conditions in the OATT.

2. Energy Resource Interconnection Service (ERIS) is defined in Section 1 of Attachment M-1 to the OATT.

3. Network Resources Interconnection Service (NRIS) is defined in Section 1 of Attachment M-1 to the OATT.

III. Cost Recovery

A. Direct Assignment Facilities

The Transmission Customer shall pay the costs of Direct Assignment Facilities.

B. Transmission Provider's Interconnection Facilities

The Interconnection Customer shall pay the costs of Transmission Provider's Interconnection Facilities.

C. System Plan Network Upgrades

The costs of System Plan Network Upgrades are recovered through transmission rates for PTP and NITS.

D. Network Upgrades

1. Funding of Network Upgrades

The Transmission Provider shall fund Network Upgrades.

2. Provision of Revenue Guarantee for Network Upgrades

(a) Transmission Customers shall provide Transmission Provider with security for the Network Upgrades in the form of a standby irrevocable letter of credit or other form of security that is reasonably acceptable to Transmission Provider ("Security") in accordance with Section 19.4 or Section 32.4 of OATT. Interconnection Customers shall provide Security for Network Upgrades in accordance with Article 11.5 of the SGIA. Notwithstanding the above and notwithstanding Section 19.4 and Section 32.4 of OATT and Article 11.5 of the SGIA, if the Transmission Customer or Interconnection Customer is BC Hydro,

then no security for Network Upgrades is required under Section 19.4 or Section 32.4 of OATT or Article 11.5 of the SGIA.

(b) Such Security shall be granted in favour of Transmission Provider and shall be in a sufficient amount which may be revised from time to time to cover the costs for designing, constructing, procuring and installing the Network Upgrades.

(c) Such Security must be made by an entity that meets the creditworthiness requirements of Transmission Provider, or issued by a financial institution reasonably acceptable to Transmission Provider. If the entity making the Security ceases to meet the creditworthiness requirements of the Transmission Provider or the financial institution issuing the security ceases to be reasonably acceptable to the Transmission Provider, then the Transmission Customer shall provide a new form of security that meets the Transmission Provider's requirements, as stated above, within 30 Calendar Days of notice being provided to the Transmission Customer.

(d) The Security will be held for a period and reduced by the Transmission Provider in accordance with Section III.D.3 of this Attachment O.

(e) The Transmission Customer or Interconnection Customer will be responsible for the costs of arranging for and maintaining the Security.

(f) The Transmission Provider will not pay interest on the amount on the Security.

3. Release of and Reducing Outstanding Balance of Security

(a) LTF PTP Service

(i) The Transmission Provider shall reduce the outstanding balance of the Security by an amount equal to the Transmission Customer's payment for transmission services on the LTF PTP rate schedule excluding the costs of scheduling, losses and ancillary services. Subject to paragraphs (ii) and (iii) below, the Transmission Provider will continue to reduce the outstanding balance of the Security by the Transmission Customer's payment for service until the balance becomes zero.

(ii) If the Transmission Customer terminates its Service Agreement, the Transmission Provider may call on the full outstanding balance of the Security at that time.

(b) ERIS

(i) If LTF PTP Service is purchased to transmit output from the Generating Facility receiving ERIS pursuant to the same SGIA pursuant to which the Security was provided, the Transmission Provider will, subject to paragraphs (ii) and (iii) below, reduce the outstanding amount of the Security in accordance with Section III.D.3.(a) of this Attachment O.

(ii) If the Interconnection Customer terminates the SGIA or the Interconnection Customer's Generating Facilities fails to achieve Commercial Operation within 3 years of the target date for Commercial Operation set out in Appendix B of the SGIA, the Transmission Provider may call on the full outstanding balance of the Security at that time.

(c) NRIS

(i) If Interconnection Customer's Generating Facility is designated as a Network Resource, the Transmission Provider will, subject to paragraph (ii) below, at the end of each calendar year beginning with the calendar year during which the Generating Facility achieves Commercial Operation, agree to a reduction in the then outstanding amount of the Security by an amount equal to the capacity of the Generating Facility designated as a Network Resource during that calendar year multiplied by the LTF PTP rate, excluding the costs of scheduling, losses and ancillary services.

(ii) If the Interconnection Customer terminates the SGIA or the Interconnection Customer's Generating Facility fails to achieve Commercial Operation within 3 years of the target date for Commercial Operation set out in Appendix B of the SGIA, the Transmission Provider may call on the full outstanding balance of the Security at that time.

(iii) If Interconnection Customer's Generating Facility is not or ceases to be designated as a Network Resource, Transmission Provider shall deal with the Security in accordance with Section III.D.3.(b) of this Attachment O.

(d) Security Balance Information

The Transmission Provider will compute and provide to each Transmission Customer or Interconnection Customer, as applicable, an initial forecast of the time required to reduce the entire amount of the Security to zero. The Transmission Provider

will track remaining credit balances for all Transmission Customers and Interconnection Customers and notify them of material changes in the length of time required to reduce the outstanding balance of the Security to zero due to LTF PTP rate changes.

4. Multiple Securities

Where Transmission Customer or Interconnection Customer causes Network Upgrades for more than one service, the Transmission Customer may consolidate the Securities required for each Network Upgrade into one with an amount equals to sum total of the Network Upgrade costs incurred.

E. Clustering and Open Season

1. Interconnection

Pursuant to Section 4.2 of SGIP, the Transmission Provider may elect to study Interconnection Requests using Clustering. In Clustering, the Transmission Provider may allocate the costs of Network Upgrades identified in the Interconnection Facilities Study arising out of Clustering between or among the Interconnection Requests subject to the Clustering on a pro rata basis relative to the maximum output of the Generating Facilities that are the subject of the Interconnection Requests. The Interconnection Customers of these Generating Facilities shall provide Security in the same amount of their respective allocated Network Upgrade costs. The Transmission Provider may reduce the amount of the Security as described in Section III.D.3.(b) or III.D.3.(c) of this Attachment.

2. LTF PTP

Pursuant to Section 15.8 of the OATT, the Transmission Provider may elect to study LTF PTP service requests in an Open Season process. The Transmission Provider may allocate costs of Network Upgrades identified in the Facilities Study arising out of the Open Season process to Transmission Customers on a pro rata basis relative to the capacity requested by each Transmission Customer, after having deducted, for any Transmission Customer, any requested capacity that has been accommodated by any available transmission capability identified in the System Impact Study and allocated to that Transmission Customer in accordance with Section 15.8 and Section 15.9. The Transmission Customers shall provide Security in the same amount as their respective allocated Network Upgrade costs. The Transmission Provider may reduce the amount of the Security as described in Section III.D.3.(a) of this Attachment.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

ATTACHMENT P

Contingency Resource Plans (CRP) and Release of Capacity Not Required by Network Integration Transmission Service (NITS)

1. Reservation of ATC for Network Customer's Contingency Plans

The Network Customer may include high and low load forecast scenarios and resource plan contingencies approved by the Commission (together "Contingency Resource Plans") in its Network Integration Transmission Service (NITS) Application. In addition to the information requirements of Section 29.2 of the Tariff, the Network Customer will provide the expected in service date and, to the extent possible, other information described in Section 29.2(e) for the forecast generation resources included in its Contingency Resource Plans.

The Transmission Provider will treat such application as one service request. If there is sufficient ATC to meet the Network Customer's service request which includes the Contingency Resource Plans, the Transmission Provider will reserve the transmission capacity for the Network Customer's service request in accordance with the queue priority of the Network Customer's NITS Application. If there is insufficient ATC to meet the Network Customer's service request, the Transmission Provider will conduct transmission studies in accordance with the Tariff and identify Network Upgrades for each load forecast scenario and for each resource plan contingency separately.

2. Planning for Forecast Load Growth and Contingency Resource Plans of Network Customers

Pursuant to Section 31.6 of this Tariff, Network Customers are required to provide annual updates of Network Load and Network Resource forecasts. The Network Customer may also revise the expected in service dates of the forecasted generation resources identified in the Network Customer's Contingency Resource Plan. The Transmission Provider will perform an annual evaluation of the capability of the

Transmission System to reliably accommodate these new forecasts in addition to ongoing Firm Point-to-Point Transmission Service and other Network Integration Transmission Service obligations. In the event that this evaluation determines that there is insufficient capacity to meet the forecast needs of all Network Customers along with the ongoing rights of existing Firm Point-to-Point Transmission Service customers, the Transmission Provider will use the following process to resolve these competing requests for Transmission Service to serve reasonably forecast needs:

2.1 The Transmission Provider will annually request 10-year load forecasts and Network Resources (current and projected) in accordance with Section 31.6 of this Tariff.

2.2 The Transmission Provider will model reasonable forecast loads, current Network Resources and Contingency Resource Plans, and Firm Point-to-Point Transmission Service commitments, including rollover rights, where not previously limited covering the planning horizon (10 years) to determine whether there is sufficient ATC in the planning horizon to accommodate these existing and forecast commitments.

2.3 If the Transmission System is over-committed, the Transmission Provider will determine whether additional Network Upgrades are required and whether a revision of the current construction schedule for currently planned Network Upgrades is needed.

2.4 The Transmission Provider will determine the costs of any additional required Network Upgrades and provide the Network Customer with the revised estimated costs and construction schedule of the additional Network Upgrades and currently planned Network Upgrades.

2.5 The Transmission Provider will allocate the responsibility for the costs of Network Upgrades in accordance with Attachment O to this Tariff.

2.6 If the Transmission Provider determines that the Transmission System would be over-committed before appropriate Network Upgrades can be constructed, the Transmission Provider will inform the Network Customer that Network Resource designation of the

forecasted generation resources identified in the Network Customer's Contingency Resource Plans will not be possible until the Network Upgrade are complete.

3. Release of Unused Capacity Reserved for Network Customer

As described in Section 2 of this Attachment P, the Transmission Provider will plan the Transmission System to meet the needs of the Network Customers as defined by the information in the 10 year annual forecast including any requirements for the Network Customer's Contingency Resource Plans. The capacity reservation associated with previously identified load forecasts and Contingency Resource Plans is queued at the time of the forecast submittal, but is released for use by other customers until it is required by the Network Customer. In order to make available to other customers capacity that will not be needed to serve the Network Customer's load from the forecasted generation resources in Network Customer's Contingency Resource Plans, the Network Customer must designate such forecasted generation resources as Network Resources pursuant to Section 30.2 of the Tariff, at least sixty (60) Calendar Days in advance of the previously identified expected in service date in the forecast by an OASIS request. If the Network Customer does not do so, the associated ATC for the next sixty (60) Calendar Days will be released to the market.

When evaluating new requests for Firm Point-to-Point Transmission Service, the Transmission Provider will make transmission capacity available to Point-to-Point Customers until such time as that capacity is needed to serve the existing Network Customer's load. The determination of ATC will be based on prior commitments and the annual submittals by Network Customers of forecast network load, Network Resources and Contingency Resource Plans.

If at the time of a request for new Firm Point-to-Point Transmission Service the Transmission Provider determines that sufficient transmission capacity will not be available to accommodate both the forecast load growth and Contingency Resource Plans of existing Network Customers, and the new request for Point-to-Point

Transmission Service beyond the term of the request, the Service Agreement for the Point-to-Point Transmission Service request will reflect this limitation to the rollover rights of the new service.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

ATTACHMENT Q-1

Dynamic Scheduling

This attachment contains the eligibility requirements and the terms and conditions for the provision of dynamic scheduling to Transmission Customers.

1. Definitions

(a) "Dynamic Schedule" means a time-varying energy transfer that is updated in real-time and is used included in the scheduled net Interchange term in the same manner as an Interchange schedule in the affected Balancing Authorities' area control error equations (or alternate control processes).

(b) "eTag" means an electronic documentation of an energy transaction on an electronic tagging system, as required by BC Hydro for the scheduling of energy transactions.

(c) "Interchange" means energy transfers that cross Balancing Authority boundaries.

(d) "Interchange Transaction" means an agreement to transfer energy from a seller to a buyer that crosses one or more Balancing Authority Area boundaries.

(e) "Intermediate Balancing Authority Area" means a Balancing Authority on the scheduling path of an Interchange Transaction other than the Sending Balancing Authority and Receiving Balancing Authority.

(f) "Receiving Balancing Authority Area" means the Balancing Authority importing the Interchange.

(g) "Sending Balancing Authority Area" means the Balancing Authority Area exporting the Interchange.

(h) "WECC" means the Western Electricity Coordinating Council, or any successor organization.

2. Availability and Limitations

(a) Dynamic scheduling is only available:

(i) while Dynamic Schedules are technically feasible and consistent with all applicable reliability standards adopted by the Commission and WECC criteria and policies;

(ii) while the Transmission Provider has the necessary arrangements in place with any Sending, Receiving, or Intermediate Balancing Authority Areas, as required, for the delivery, receipt, and facilitation of Dynamic Schedules, as applicable.

(iii) while the Transmission Provider and any Sending, Receiving, or Intermediate Balancing Authority Areas, as required, have the necessary systems in place for the delivery, receipt, and facilitation of Dynamic Schedules, as applicable.

(b) Dynamic scheduling will be limited, reduced or suspended as a result of constraints, including, but not limited to: an emergency or other condition that threatens to impair or degrade the reliability of the Transmission System; resource constraints declared by the resource owner; insufficient Transmission Service over the Transmission System is procured for Dynamic Schedules; and any constraints imposed by the Sending Balancing Authority Area, Receiving Balancing Authority Area or any Intermediate Balancing Authority Areas on the scheduling path.

(c) Dynamic Schedules will be limited by the Transmission Provider's cut-off times, and by the Transmission Provider's reasonable assessment of its capabilities to process Dynamic Schedules. Dynamic Schedules will be processed on a

first-come, first-received basis, up to the limit of the number of Dynamic Schedules that may be concurrently delivered and the total volume of energy that may be delivered through Dynamic Schedules.

3. Eligibility Requirements

To be eligible to use transmission for dynamic schedules, a Transmission Customer must satisfy the following eligibility requirements.

(a) The Transmission Customer must satisfy the requirements and standards of the Transmission Provider with respect to dynamic scheduling from the Transmission Provider's Balancing Authority Area, as those requirements and standards are described in this Attachment Q-1 and the Transmission Provider's business practices.

(b) If the Transmission Provider's Balancing Authority Area is the Sending Balancing Authority Area, the Transmission Customer must satisfy the requirements of the Receiving Balancing Authority Area with respect to the delivery of energy through a Dynamic Schedule into the Receiving Balancing Authority Area.

(c) If the Transmission Provider's Balancing Authority Area is the Receiving Balancing Authority Area, the Transmission Customer must satisfy the requirements of the Sending Balancing Authority Area with respect to the delivery of energy through a Dynamic Schedule from the Sending Balancing Authority Area.

(d) The Transmission Customer must satisfy the requirements of Intermediate Balancing Authority Area(s) with respect to Dynamic Schedules and the arrangement of appropriate transmission services through the Intermediate Balancing Authority Area(s).

(e) The Transmission Customer shall be responsible for all costs related to its own systems and equipment required to dynamically schedule, such as communications equipment, communication circuits and facility upgrades.

(f) The Transmission Customer must ensure sufficient resources are available that are: of the appropriate type; ready to be delivered in the scheduled period; electrically located within the Sending Balancing Authority Area; and responsive to control signals issued by the Sending Balancing Authority.

(g) The Transmission Customer must have an executed Service Agreement with the Transmission Provider under the Tariff.

(h) The Transmission Customer must comply with applicable reliability standards adopted by the Commission and WECC criteria and policies.

If, at any time, a Transmission Customer fails to meet any of the eligibility requirements in this section, the Transmission Provider may immediately suspend the Transmission Customer's eligibility for dynamic scheduling.

4. Approval and Use of Dynamic Scheduling

Eligible Transmission Customers may not submit Dynamic Schedules prior to approval by the Transmission Provider. Eligible Transmission Customers may submit a request to the Transmission Provider for approval of dynamic scheduling. The Transmission Provider will approve such a request based on its reasonable assessment of the availability and limitations of dynamic scheduling between and through specific Balancing Authority Areas as may be required to accommodate the request. The Transmission Provider will make reasonable efforts to enter into the necessary arrangements with other Balancing Authority Areas to accommodate requests for dynamic scheduling.

Once a request for dynamic scheduling is approved by the Transmission Provider, the Eligible Customer may submit Dynamic Schedules for Point-To-Point Transmission

Service or Network Integration Transmission Service by submitting eTags to the Transmission Provider following the procedures set out in the Transmission Provider's business practices.

5. Official Dispatch Signal

The Sending and Receiving Balancing Authority Areas will coordinate and respond to the official dispatch signal for any dynamically scheduled resources.

6. Dispatch Instruction Data

The Transmission Customer is responsible for resolving with the Receiving Balancing Authority Area any discrepancy in data between the Receiving Balancing Authority Area's dispatch instruction data and the Transmission Customer's eTag. The Transmission Customer is responsible for ensuring the accuracy and resolving any discrepancies in eTag information related to the Intermediate Balancing Authority Area.

7. Losses

Any transmission losses attributed to the Dynamic Schedule on transmission systems external to the Transmission System will be the responsibility of the Transmission Customer.

8. Settlement Data Discrepancy

The Transmission Customer is responsible for resolving, with the Receiving Balancing Authority Area and/or the Sending Balancing Authority Area, as applicable, any discrepancy with the integrated energy value used by the Transmission Provider for settlement purposes.

9. Sharing of Information

The Transmission Provider may share with the Sending Balancing Authority Area, Receiving Balancing Authority Area, Intermediate Balancing Authority Areas, reliability

coordinators and relevant market operators, whatever operational information directly related to dynamic scheduling is necessary or desirable to facilitate dynamic scheduling. The foregoing information shall include such information that may be required by applicable tariff provisions and business practices and standards of any of the Sending Balancing Authority Area, Receiving Balancing Authority Area, Intermediate Balancing Authority Areas, and the Transmission Provider, and shall also include such information that may be required by each of the Sending Balancing Authority Area, Receiving Balancing Authority Area, Intermediate Balancing Authority Areas and the Transmission Provider to curtail dynamic schedules in accordance with its Tariff, business practices, standards and applicable service agreements.

10. Charges for Dynamic Scheduling

(a) Dynamic Scheduling using Network Integration Transmission Service is charged in accordance with Part III and Rate Schedule 00 of the Tariff.

(b) Dynamic Scheduling using Point-To-Point Transmission Service is charged in accordance with Part II and Rate Schedule 01 of the Tariff.

(c) Charges for Ancillary Services will be applied in accordance with Rate Schedules 03 through 09 of the Tariff, as applicable.

ATTACHMENT Q-2

Network Economy Service

1. In this Attachment:

"Market Price" means the market price for energy as determined by the Transmission Provider in a manner approved by the Commission.

"Network Economy Service" means the use of the Transmission Provider's transmission system, pursuant to section 28.4 of the Tariff, to deliver energy to its Network Loads from resources that have not been designated as Network Resources.

"Trigger Price" means the Trigger Price as determined by the Transmission Provider in a manner approved by the Commission.

2. Notwithstanding section 14.7 of the Open Access Transmission Tariff, for each hour in the delivery day:

(a) Network Economy reservations will have the priority and rights provided in section 14.7 of the Open Access Transmission Tariff only if the Market Price is less than or equal to the Trigger Price for the delivery hour; and

(b) If the Market Price is greater than the Trigger Price for the delivery hour, Network Economy reservations will have the same priority as Non-Firm Point-To-Point service, with the exception that the provisions of section 14.2 of the Open Access Transmission Tariff providing for reservation priority based on price shall not apply.

The Transmission Provider will post each day on its website or OASIS by 23:59:00, whether Network Economy for each hour in the delivery day will have the priority as set out in (a) or (b).

3. Where a single Network Economy reservation spans multiple delivery hours, the priority assigned to the whole reservation will be that of the lowest priority hour, as determined in section 2 of this Attachment.

4. The Network Customer must provide the Transmission Provider with its Trigger Price in a form and at times required by the Transmission Provider, and approved by the Commission. The Network Customer may not use Network Economy service for the period in which it is reserved if the Network Customer has failed to comply with this section.

5. The Network Customer must, for the entirety of the reporting period, each reporting period to commence on the day after the last day of the previous reporting period and to include all full weekly reporting periods up to and including the last day of the full weekly reporting period immediately prior to the last day of the calendar month, maintain an average utilization rate of all Network Economy reservations of at least 95% of the average utilization of Daily and Hourly Non-Firm Point-To-Point service by customers, other than the Network Customer or its marketing affiliates, in pre-schedule and Real-Time, over the same reporting period. If the Network Customer's average utilization rate for Network Economy Service over the entirety of the reporting period is below 95% of that level, the Transmission Provider, commencing on the first day of the following calendar month, will curtail all unused Network Economy reservations at thirty minutes prior to the delivery hour. The Network Customer may subsequently reserve additional Network Economy service. These new reservations will have the same priority as provided in section 2(b) of this Attachment. If the average utilization of all Network Economy reservations over the entirety of the reporting period, each reporting period to commence on the day after the last day of the previous reporting period and to include all full weekly reporting periods up to and including the last day of the full weekly reporting period immediately prior to the last day of the calendar month, increases to at least 95% of the average utilization of Daily and Hourly Non-Firm Point-To-Point service by customers, other than the Network Customer or its marketing affiliates, in pre-schedule and Real-Time for the same reporting period, then commencing on the first day

of the following calendar month the Transmission Provider will curtail all unused Network Economy reservations in accordance with the Transmission Provider's Business Practices.

ATTACHMENT Q-3

Spinning Reserve and Contingency Reserve Transmission Service

This attachment contains additional terms and conditions applicable to Spinning Reserve Transmission Service and Contingency Reserve Transmission Service, which may used by Transmission Customers for the purpose of scheduling Spinning Reserves or Contingency Reserves from generation resources inside the Transmission Provider's Balancing Authority to other Balancing Authorities.

1. Definitions

(a) "Contingency Reserve" means an amount of spinning and non-spinning reserve, sufficient to reduce area control error (ACE) to zero within ten minutes.

(b) "Contingency Reserve Transmission Service" means hourly Firm Point-To-Point Transmission Service used for the delivery of Contingency Reserves out of the Transmission Provider's Balancing Authority.

(c) "EMS" means Energy Management System.

(d) "eTag" means an electronic documentation of an energy transaction, including the Point of Delivery, Point of Receipt, transmission path, transmission contracts, capacity profiles and parties.

(e) "Non-Spinning Reserve" means the portion of off-line generating capacity which is capable of being loaded in 10 minutes and which is capable of running for at least two hours.

(f) "Receiving Balancing Authority" means the Balancing Authority to receive Spinning Reserves or Contingency Reserves from generation resources within the Transmission Provider's Balancing Authority.

(g) "Spinning Reserve" means the portion of unloaded synchronized generating capacity which is capable of being loaded in 10 minutes and which is capable of running for at least two hours.

(h) "Spinning Reserve Transmission Service" means hourly Firm Point-To-Point Transmission Service used for the delivering of Spinning Reserves out of the Transmission Provider's Balancing Authority.

2. Availability

Spinning Reserve Transmission Service and Contingency Reserve Transmission Service are available only for exports out of the Transmission Provider's Balancing Authority.

3. Eligibility

(a) The Transmission Customer must have a Firm Point-to-Point Transmission Service reservation that is of equal or greater duration and capacity than the duration and capacity that is designated by the Transmission Customer as Spinning Reserve Transmission Service or Contingency Reserve Transmission Service.

(b) The Transmission Customer must satisfy the requirements of the Receiving Balancing Authority with respect to the delivery of Contingency Reserves or Spinning Reserves into the Receiving Balancing Authority.

(c) The Transmission Customer's generation resource must be responsive to control signals issued by the Transmission Provider's EMS in the scheduled period for the Contingency Reserve Transmission Service or Spinning Reserve Transmission Service.

4. Designating and Scheduling

The Transmission Customer may designate all or a portion of its Firm Point-To-Point Transmission Service reservation to Contingency Reserve Transmission Service or Spinning Reserve Transmission Service on an hourly basis.

5. Revert Back, Resale and Reassignment of Unused Spinning Reserve Transmission Service or Contingency Reserve Transmission Service

(a) At the Transmission Customer's request prior to the scheduled hour, the Transmission Provider will revert Firm Point-To-Point Transmission Service that has been designated for Spinning Reserve Transmission Service or Contingency Reserve Transmission Service, for the scheduled hour, back to the original Firm Point-to-Point Transmission Service reservation.

(b) Notwithstanding section 23.1 of the Tariff, the Transmission Customer cannot resell or reassign any of its rights under its Service Agreement or Umbrella Agreement during the time, and to the extent, that such rights have been designated as Spinning Reserve Transmission Service or Contingency Reserve Transmission Service.

(c) The Transmission Provider will not sell Firm Point-To-Point Transmission Service that is designated as Spinning Reserve Transmission or Contingency Reserve Transmission Service as unused Reserved Capacity in real-time.

6. Dispatch Instruction Data

(a) The Transmission Provider will automatically dispatch Contingency Reserve Transmission Service or Spinning Reserve Transmission Service upon receiving the Receiving Balancing Authority's dispatch instruction data, based on the value of the dispatch instruction data, up to any existing constraints that might be in place at the time of dispatch.

(b) For the purpose of this section, a constraint exists if:

(i) the reliability of the Transmission System is threatened;

(ii) the owner of the generation resource declares that there is a resource constraint;

(iii) there is an insufficient Firm Point-To-Point Transmission Service reservation for the Contingency Reserve Transmission Service or Spinning Reserve Transmission Service; or

(iv) the Receiving Balancing Authority imposes a constraint on the scheduled path.

(c) The Transmission Customer is responsible for resolving with the Receiving Balancing Authority any discrepancy in data between the Receiving Balancing Authority's dispatch instruction data and the Transmission Customer's eTag.

7. Charges for Contingency Reserve and Spinning Reserve Transmission Service

(a) Contingency Reserve and Spinning Reserve Transmission Service scheduled upon Short-Term Firm Service is charged in accordance with Rate Schedule 01 of OATT.

(b) Contingency Reserve and Spinning Reserve Transmission Service scheduled upon Long-Term Firm Service is charged in accordance with Rate Schedule 01 of OATT.

(c) Charges for Scheduling, System Control and Dispatch will be applied in accordance with Rate Schedule 03 of OATT.

ATTACHMENT Q-4

Mixed Class Wheelthrough Service

This Attachment contains additional terms and conditions applicable to Mixed Class Wheelthrough Service, which may be used by Transmission Customers for the purpose of scheduling electricity from the US to Alberta.

1. Definition

Mixed Class Wheelthrough Service is a Short-Term Point-To-Point Transmission Service on the US to Alberta path consisting of the following two Transmission Services, combined into one transmission reservation on OASIS (Point of Receipt at BC.US Border and Point of Delivery at AB.BC), of equal amount and duration: (1) a firm service on the US to BC path; and (2) a non-firm service on the BC to Alberta path.

2. Availability

Mixed Class Wheelthrough Service is only available for transactions from the US to Alberta using BC as a wheelthrough.

3. Terms and Conditions

(a) Displacement

Each path segment of the reservation of a Mixed Class Wheelthrough Service may be displaced as described in sections 13.2 and 14.2 of the Tariff. Notwithstanding those provisions, if either of the path segments of a Mixed Class Wheelthrough Service is displaced, the other path segment will also be displaced.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

(b) Curtailment

Each path segment of the reservation of a Mixed Class Wheelthrough Service may be curtailed in accordance with sections 13.6 and 14.7 of the Tariff. Notwithstanding those provisions, if either of the path segments of a Mixed Class Wheelthrough Service is curtailed, the other path segment will be curtailed by an equal amount.

(c) Changes in Service Specifications

Notwithstanding section 22.1 of the Tariff, for Mixed Class Wheelthrough Service, the Transmission Customer may not request modifications to the Point of Receipt and Point of Delivery specified in the Service Agreement or Umbrella Agreement.

(d) Resale or Reassignment of Mixed Class Wheelthrough Service

Notwithstanding section 23 of the Tariff, Mixed Class Wheelthrough Service may only be resold as Mixed Class Wheelthrough Service.

4. Charges

The transmission rate for Mixed Class Wheelthrough Service shall be in accordance with Rate Schedule 01.

5. Unauthorized Use

Use of the Mixed Wheelthrough service for transactions other than from the US to Alberta using BC as a wheelthrough is an unauthorized use of Mixed Class Wheelthrough Service. Pursuant to Schedule 01, a penalty charge will be applied at the rate of 125 percent of the Reserved Capacity Charge for the Firm Point-to-Point Transmission Service on the US to BC path segment. In addition, the customer will be billed all applicable Transmission Service and Ancillary Service charges for the entire

duration of the Non-Firm Point-To-Point Transmission Service on the BC to Alberta path segment.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

ATTACHMENT Q-5

Wheeling Rights Under FortisBC Inc.'s Tariff Supplement No. 9

The term "Transmission System" in the Tariff includes the facilities over which BC Hydro has the right to wheeling services (the "Wheeling Facilities") in accordance with FortisBC Inc.'s Tariff Supplement No. 9 (the "FortisBC Tariff"). Pursuant to section 29.2 and 31 of the Tariff and in its Service Agreement, the Network Customer may specify the "Point of Delivery," as that term is defined in the FortisBC Tariff, as a delivery point for Network Integration Transmission Service to Network Loads. Pursuant to section 28.2 of the Tariff, the Transmission Provider shall provide Network Integration Transmission Service to the Network Customer's designated load at the "Point of Delivery," as that term is defined in the FortisBC Tariff, and in doing so the Transmission Provider may use the Wheeling Facilities in accordance with the Wheeling Agreement. However, BC Hydro has no right or obligation regarding the Wheeling Facilities that is not in accordance with the FortisBC Tariff, including any right or obligation to plan, construct, upgrade, operate, or maintain the Wheeling Facilities.

The amounts paid by the Transmission Provider pursuant to Sections 6.1 and 6.3 of the FortisBC Tariff will be recovered on the same basis as System Plan Network Upgrades as defined in Attachment O of the Tariff.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

Schedule 00

Network Integration Transmission Service

Availability	For wholesale transmission of electricity.
Rate	Monthly Transmission Revenue Requirement: Customers will be charged their load ratio share of one twelfth (1/12th) of the Network Transmission Revenue Requirement per month. The Transmission Revenue Requirement is shown in Attachment H. One-twelfth of the Transmission Revenue Requirement is $88,117,000.
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.
Note	The terms and conditions under which Network Integration Transmission Service is supplied are contained in BC Hydro's OATT. Capitalized terms appearing in this Schedule, unless otherwise noted, shall have the meaning ascribed to them therein.

Effective April 1, 2025, this rate schedule is approved.

Schedule 01

Point-To-Point Transmission Service

Availability	For transmission of electricity on a firm and non-firm basis from one or more Point(s) of Receipt (POR) to one or more Point(s) of Delivery (POD).
Rate for Long-Term Firm Service	The Reserved Capacity Charge for the Long-Term Firm Service Rate will be up to a maximum price as set out below except where the POD is a point of interconnection between the Transmission System and the transmission system of FortisBC Inc., in which case the rate shall be zero ($0.00). The Maximum Reserved Capacity Charge is $92,207/MW of reserved capacity per year to be invoiced monthly. <u>Reserved Capacity Billing Demand</u> The Reserved Capacity Billing Demand is determined for each POR(s), POD(s) pair. The Reserved Capacity for each pair of POR(s) and POD(s) will be the maximum non-coincident sum of the designated POR(s) and POD(s) included in the pair.

Schedule 01 – Point-To-Point Transmission Service (continued)

Rate for Short-Term Firm and Non-Firm Service	The posted prices for Short-Term Firm and Non-Firm Service will be less than or equal to a maximum price ($/MWh) as set out below, except where the POD is a point of interconnection between the Transmission System and the transmission system of FortisBC Inc., in which case the rate shall be zero ($0.00). Maximum Price for: 1. Monthly delivery: $7,683.86/MW of Reserved Capacity per month. 2. Weekly delivery: $1,773.21/MW of Reserved Capacity per week. 3. Daily delivery: $252.62/MW of Reserved Capacity per day. 4. Hourly delivery: $10.53/MW of Reserved Capacity per hour. Discount Rate: For discounted paths posted on the Transmission Provider's OASIS, the Transmission Customer shall pay each month for Reserved Capacity Billing Demand the greater of the rates set forth below and the rate offered by the Transmission Customer and accepted by the Transmission Provider up to the maximum rate for Short-Term Firm and Non-Firm Service: 1. Hourly delivery: $3/MW of Reserved Capacity per hour in the Heavy Load Hour period (06:00-22:00, Monday - Saturday, excluding NERC holidays) and $1/MW of Reserved Capacity per hour for the Light Load Hour period (remaining hours and days). 2. Daily delivery: sum of the hourly delivery charge in the 24-hour period in the day.
Reserved Capacity for Short-Term Firm and Non-Firm Services	The Reserved Capacity shall be the maximum of the sum of non-coincident POD(s) Capacity Reservations or sum of non-coincident POR(s) Capacity Reservations.

Schedule 01 – Point-To-Point Transmission Service (continued)

Penalty Charge	In addition to the applicable rate for service and associated charges for Ancillary Services, a penalty charge will be applied to all unauthorized usage at a rate of 125 percent of the maximum hourly delivery charge.
Special Conditions	Discounts: The following conditions apply to discounts for transmission service: 1. Any offer of a discount made by BC Hydro must be announced to all Eligible Customers solely by posting on the OASIS, 2 Any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by posting on the OASIS, 3. Once a discount is negotiated, details must be immediately posted on the OASIS, and 4. For any discount agreed upon for service on a path, from POR(s) POD(s), BC Hydro must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same POD(s) on the Transmission System.
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.
Resales	The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff
Note	The terms and conditions under which Transmission Service is supplied are contained in BC Hydro's Open Access Transmission Tariff. Capitalized terms appearing in this Rate Schedule, unless otherwise noted, shall have the meaning ascribed to them therein.

Effective April 1, 2025, this rate schedule is approved.

Schedule 02

Reserved

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

Schedule 03

Scheduling, System Control, and Dispatch Service

Preamble	This service is required to schedule the movement of power through, out of, within, or into a Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by BC Hydro. The Transmission Customer must purchase this service from BC Hydro. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below.
Availability	In support of Network Integration Transmission Service, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point-to-Point Transmission Service.
Rate	$0.139 per MW of Reserved Capacity per hour.
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.
Note	A description of the methodology for discounting Scheduling, System Control and Dispatch Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

Effective April 1, 2025, this rate schedule is approved.

Schedule 04

Reactive Supply and Voltage Control from Generation or Other Sources Services

Preamble	In order to maintain transmission voltages on BC Hydro's Transmission System within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation Sources Service must be provided for each transaction on BC Hydro's Transmission System. The amount of Reactive Supply and Voltage Control from Generation or other Sources and Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region.
Availability	In support of Network Integration Transmission Services, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point-to-Point Transmission Service.
Rate	$0.825 per MW of Reserved Capacity per hour.
Taxes	The Rate and Charges contained herein is exclusive of applicable taxes.
Note	A description of the methodology for discounting Reactive Supply and Voltage Control from Generation or other Sources Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

Schedule 05

Regulation and Frequency Response Service

Preamble	Regulation and Frequency Response (RFR) Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) and by other non-generation resources capable of providing this service as necessary to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with BC Hydro. BC Hydro must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from BC Hydro or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. BC Hydro will take into account the speed and accuracy of regulation resources in its determination of Regulation and Frequency Response Service reserve requirements, including as it reviews whether a self-supplying Transmission Customer has made alternative comparable arrangements. Upon request by the self-supplying Transmission Customer, BC Hydro will share with the Transmission Customer its reasoning and any related data used to make the determination of whether the Transmission Customer has made alternative comparable arrangements. The amount of and charges for Regulation and Frequency Response are set forth below.
Availability	In support of Network Integration Transmission Service, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point-to-Point Transmission Service.
Rate	$6.37 per MW per hour of generating Capacity requested for RFR. The required amount of RFR service is a minimum of 2% of the Customer's load located in BC Hydro's control area.
Taxes	The Rate and Charges contained herein is exclusive of applicable taxes.
Note	A description of the methodology for discounting Regulation and Frequency Response Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

Schedule 06

Energy Imbalance Service

Preamble	Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area or to a Control Area boundary over a single hour. BC Hydro must offer this service when the transmission service is used to serve load within its Control Area or to export to neighbouring Control Areas. The Transmission Customer must either purchase this service from BC Hydro or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. BC Hydro shall establish a deviation band of 4 MW to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s). The Transmission Customer will compensate BC Hydro for such service. Energy imbalances outside the deviation band will be subject to charges to be specified by BC Hydro. The charges for Energy Imbalance Service are set forth below. "Energy Imbalance Period" means one of three 08 hour periods defined as HE23-6, HE7-14 or HE15-22.
Availability	In support of Network Integration Transmission Services, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point-to-Point Transmission Service.

ACCEPTED: JAN 17 2011
ORDER NO. G 1 92 10
COMMISSION SECRETARY

Schedule 06 – Energy Imbalance Service (continued)

Energy Imbalance	Energy imbalances are calculated hourly based on deviations from scheduled generation and load. Positive imbalances occur when actual generation is greater than scheduled generation or when actual load is less than scheduled load. Negative imbalances occur when actual generation is less than scheduled generation or when actual load is greater than scheduled load. 1. Positive imbalances that do not exceed 20 MWh over an Energy Imbalance Period, will be settled at BC Hydro's hourly Energy Imbalance Price for the amount of the imbalance that does not exceed 4 MW in any hour, and at BC Hydro's hourly buy price for the amount of the imbalance in any hour that exceeds that amount. 2. Positive imbalances that exceed 20 MWh over an Energy Imbalance Period will be settled at BC Hydro's hourly buy price for the entire amount of the imbalance over that Energy Imbalance Period. 3. Negative imbalances that do not exceed 20 MWh over an Energy Imbalance Period, will be settled at BC Hydro's hourly Energy Imbalance Price for the amount of the imbalance that does not exceed 4 MW in any hour, and at BC Hydro's hourly sell price for the amount of the imbalance in any hour that exceeds that amount. 4. Negative imbalances that exceed 20 MWh over an Energy Imbalance Period will be settled at BC Hydro's hourly sell price for the entire amount of the imbalance over that Energy Imbalance Period. BC Hydro's Energy Imbalance Price will be calculated hourly based on the average of BC Hydro's hourly buy price and BC Hydro's hourly sell price.
Rate	"BC Hydro's hourly buy price" for energy received is equal to the ICE Mid-C Off-Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report , less Bonneville Power Authority's (BPA) wheeling rate from B.C.-U.S Border to Mid Columbia (Mid-C). If a BC Hydro system spill occurs during the month, the buy price for all hours of the month will be zero.

<table>
<tr><td></td><td>"BC Hydro's hourly" sell price for energy provided during High Load Hours (HLH are hours ending 0700 to 2200, Monday through Saturday excluding NERC Holidays) is set hourly as follows:

BPA's Mid-C to U.S.-B.C. Border wheeling rate will be added to the ICE Mid-C Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report and the result will be multiplied by the following factors to derive hourly prices.

<table>
<tr><td>Hour 0700</td><td>0.8531</td><td>Hour 1500</td><td>0.9668</td></tr>
<tr><td>Hour 0800</td><td>0.9437</td><td>Hour 1600</td><td>0.9766</td></tr>
<tr><td>Hour 0900</td><td>0.9852</td><td>Hour 1700</td><td>1.0365</td></tr>
<tr><td>Hour 1000</td><td>0.9995</td><td>Hour 1800</td><td>1.0966</td></tr>
<tr><td>Hour 1100</td><td>1.0026</td><td>Hour 1900</td><td>1.0850</td></tr>
<tr><td>Hour 1200</td><td>0.9945</td><td>Hour 2000</td><td>1.0615</td></tr>
<tr><td>Hour 1300</td><td>0.9861</td><td>Hour 2100</td><td>1.0360</td></tr>
<tr><td>Hour 1400</td><td>0.9731</td><td>Hour 2200</td><td>1.0031</td></tr>
</table>

BC Hydro's hourly sell price for energy provided during Low Load Hours (LLH are hours ending 2300 to 0600 Monday through Saturday and all day Sunday and NERC Holidays) is equal to the ICE Mid-C Off-Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report, plus BPA's wheeling rate from Mid-C to the U.S.-B.C. Border.

BPA's wheeling rate is available on the BPA OASIS website.</td></tr>
<tr><td>Taxes</td><td>The Charges contained herein are exclusive of applicable taxes.</td></tr>
<tr><td>Note</td><td>A description of the methodology for discounting Energy Imbalance Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.</td></tr>
</table>

Schedule 07

Operating Reserve (OR) – Spinning Reserve Service

Preamble	Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output and by non-generation resources capable of providing this service. BC Hydro must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from BC Hydro or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of and charges for Spinning Reserve Service are set forth below.
Availability	In support of Network Integration Transmission Services, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point to Point Transmission Service.
Rate	$6.20 per MW per hour of generating Capacity requested for OR - Spinning. The minimum spinning reserve requirement, determined in accordance with applicable reliability standards adopted by the Commission, equals to the sum of: 1. 1.5 per cent of hourly integrated load; plus 2. 1.5 per cent of hourly integrated generation.
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.
Note	A description of the methodology for discounting Spinning Reserve Service provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

ACCEPTED: OCT 21 2015

ORDER NO. G 158 15

COMMISSION SECRETARY

Schedule 08

Operating Reserve (OR) – Supplemental Reserve Service

Preamble	Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation or by interruptible load or other non-generation resources capable of providing this service. BC Hydro must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from BC Hydro or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below.
Availability	In support of Network Integration Transmission Service, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point to Point Transmission Service.
Rate	$6.27 per MW per hour of generating Capacity requested for OR - Supplemental. The minimum supplemental reserve requirement, determined in accordance with applicable reliability standards adopted by the Commission, equals to the sum of: 1. 1.5 per cent of hourly integrated load; plus 2. 1.5 per cent of hourly integrated generation.
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.
Note	A description of the methodology for discounting Operating Reserve (OR) - Supplemental Reserve Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

Schedule 09

Loss Compensation Service

Preamble	To Transmission Customers taking Network Integration Transmission Service, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point to Point Transmission Service who have elected to take the Loss Compensation Service.
Rate	Loss Compensation Service will be priced at "BC Hydro's hourly sell price". BC Hydro's hourly sell price for energy provided during any hour in which the intertie for US to BC is fully utilized, as measured by zero Available Transmission Capacity at the close of the scheduling period for that hour, is the AESO Export Opportunity Service Rate (XOS) added to the greater of $0/MWh or the Alberta Power Pool price corresponding to that hour. If the intertie for US to BC is not fully utilized, the following hourly prices apply. BC Hydro's hourly sell price for energy provided during High Load Hours (HLH are hours ending 0700 to 2200, Monday through Saturday excluding NERC Holidays) is set hourly as follows: BPA's wheeling rate from Mid-C to the U.S.-B.C. Border will be added to the greater of $0/MWh or the ICE Mid-C Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report, and the result will be multiplied by the following factors to derive hourly prices.

Hour 0700	0.8531	Hour 1500	0.9668
Hour 0800	0.9437	Hour 1600	0.9766
Hour 0900	0.9852	Hour 1700	1.0365
Hour 1000	0.9995	Hour 1800	1.0966
Hour 1100	1.0026	Hour 1900	1.0850
Hour 1200	0.9945	Hour 2000	1.0615
Hour 1300	0.9861	Hour 2100	1.0360
Hour 1400	0.9731	Hour 2200	1.0031

	BC Hydro's hourly sell price for energy provided during Low Load Hours (LLH are hours ending 2300 to 0600 Monday through Saturday and all day Sunday and NERC Holidays) is equal to BPA's wheeling rate from Mid-C to the U.S.-B.C. Border plus the greater of $0/MWh or the ICE Mid-C Off-Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report. AESO's XOS Rate is available on the AESO website. BPA's wheeling rate is available on the BPA OASIS website
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.

Schedule 10

Real Power Losses

All transactions will incur real power losses of 6.28% on the energy delivered to the points of receipt.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10
COMMISSION SECRETARY

Wheeling for Canal Plant Agreement Coordination Transfers

WHEREAS:

A. B.C. Hydro, Cominco Ltd., West Kootenay Power and Light Company, Limited ("WKP") and the Government of British Columbia entered into an agreement comprised by letter dated August 13, 1971, from WKP to the Government of British Columbia, as clarified by letter dated August 30, 1971, from the Government of British Columbia to WKP, and enclosures therein (the **"1971 Agreement"**);

B. B.C. Hydro, Cominco Ltd. and WKP entered into an Agreement made as of August 1, 1972 (the **"Original Canal Plant Agreement"**) pursuant to the 1971 Agreement;

C. The Original Canal Plant Agreement, created certain obligations, rights and benefits due to the integration of the Entitlement Parties generation and transmission system into the B.C. Hydro system;

D. B.C. Hydro and the Entitlement Parties have entered into a revised Canal Plant Agreement, dated July 1, 2005, (the **"Canal Plant Agreement"**) which is pursuant to the 1971 Agreement and which amends and restates the Original Canal Plant Agreement;

E. This Tariff Supplement pertains only to B.C. Hydro's use of the OATT in relation to Coordination Transfers to and from the Kootenay Interconnection.

1. DEFINITIONS

(a) **"CPA"** means the Canal Plant Agreement, as described in Recital D above, and, unless otherwise expressly stated herein, includes all amendments to that agreement from time to time;

(b) **"OATT"** means B.C. Hydro's open access transmission service tariff and B.C. Hydro's tariffs that are successors to or replacements of the OATT.

Unless otherwise defined herein, all other capitalized words and phrases have the meaning ascribed to them in the CPA.

ACCEPTED: JAN 17 2011

ORDER NO. G 192 10

COMMISSION SECRETARY

2. WHEELING RATES

2.1 Coordination Transfers to B.C. Hydro, ultimately used to serve B.C. Hydro loads, will attract charges from the Kootenay Interconnection in accordance with the OATT and will be treated like any other B.C. Hydro resource at the Kootenay Interconnection; and

2.2 Coordination Transfers and ancillary services pursuant to section 6.7 of the CPA, both of which are to be provided by B.C. Hydro to the Entitlement Parties at the Kootenay Interconnection, will not attract charges under the OATT.

ACCEPTED: JAN 17 2011
ORDER NO. G 192 10

COMMISSION SECRETARY

BC HYDRO GENERATING PLANT INTERCONNECTIONS

WHEREAS:

A. On April 1, 2005, British Columbia Hydro and Power Authority ("BC Hydro") and British Columbia Transmission Corporation ("BCTC") executed the Generating Plants and Operational Obligations Agreement ("GPOOA") whereby, inter alia, the parties identified BC Hydro's existing generating plant interconnections to the Transmission System for which BC Hydro receives transmission service as a Transmission Customer under its Open Access Transmission Tariff ("OATT");

B. On February 2, 2006, BCTC filed with the Commission Articles 2 to 8, and related sections, of the GPOOA for approval and pursuant to Commission Letter dated February 27, 2006, BCTC's application was approved;

C. On December 23, 2009, the Commission approved amendments to the GPOOA by Commission Order No. G-168-09;

D. On June 3, 2010, the *Clean Energy Act*, S.B.C. 2010, c. 16 ("CEA") received Royal Assent and on July 5, 2010, sections 21 to 33 regarding the integration of BC Hydro and BCTC came into force in accordance with the commencement provisions in section 77 of the CEA.

E. Part B (Articles 2 to 8), and related provisions, of the GPOOA had formed BCTC's Tariff Supplement 2; and

F. On December 9, 2010, the Commission approved amendments to BCTC Tariff Supplement 2 and the incorporation as Tariff Supplement 79 to BC Hydro's OATT through Order No. G-192-10, which provided that (1) the existing interconnection requirements for BC Hydro's Generating Plants continue to be approved by the BCUC, and (2) an equivalent interconnection process for modifications to BC Hydro's generating plants, consistent with the OATT, continue as a separate approved process.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Tariff Supplement, the following terms will have the following meanings respectively:

(a) "**Applicable Reliability Standards**" has, at any time, the meaning then ascribed to that term in Attachment M-1 of the Tariff..

(b) "**BC Hydro Generation System**" means the Generating Plants, and their respective Interconnection Facilities and Metering Equipment, which are owned, operated and controlled by BC Hydro, and includes all additions and modifications thereto and repairs and replacements thereof.

(c) "**Commission**" means the British Columbia Utilities Commission, and includes any successor regulatory body.

(d) "**Control Area**" has, at any time, the meaning then ascribed to that term in Attachment M-1 of the Tariff and has the same meaning as "**Balancing Authority Area**" used in the Applicable Reliability Standards and other locations.

(e) "**Generating Plant**" means each BC Hydro plant for the production of electricity, as identified in Attachment 1, but shall not include a Generating Plant's Interconnection Facilities; and "**Generating Plants**" means all such plants as provided in Attachment 1.

(f) "**Governmental Authority**" has, at any time, the meaning then ascribed to that term in Attachment M-1 of the Tariff.

(g) "**Good Utility Practice**" has, at any time, the meaning then ascribed to that term in the Tariff.

(h) "**Interconnection Facilities**" means all facilities and equipment that are located between a Generating Plant and each respective Point of Interconnection, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Plant to the Transmission System, including, for applicable Generating Plants, transmission facilities connected to the Transmission System for the purpose of providing station service power to the Generating Plant.

(i) "**Interconnection Customer**" has, at any time, the meaning then ascribed to that term in Attachment M-1 of the Tariff.

(j) "**Interconnection Requirements**" means the published "60 kV to 500 kV Interconnection Requirements for Power Generators" BC Hydro, as the same may be amended from time to time.

(k) "**Interconnection Service**" means the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Plant to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Plant at the Point of Interconnection, pursuant to the Terms and Condition for Modifications (as that term is defined herein) and, if applicable, the Tariff..

(l) "**Metering Equipment**" means all metering equipment installed pursuant to this Tariff Supplement at the metering points and all related metering equipment within the Transmission System required for each Generating Plant, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal units, communications equipment, phone lines, and fibre optics.

(m) "**Modification**" has the meaning set forth in Section 2.4.

(n) "**One-Line Diagram**" means the current revision of an operating one-line diagram for a BC Hydro generating plant that includes the delineation between generation and transmission facilities, which is used for the purposes of this Tariff Supplement to represent the Point of Interconnection between a BC Hydro Generating Plant and the Transmission System as set forth in Attachment 1 of this Tariff Supplement.

(o) "**Operating Order**" means any operating instruction that governs and defines the responsibilities and procedures for operating the Integrated Electric System.

(p) "**Point of Interconnection**" means each point, as set forth in Attachment 1 of this Tariff Supplement, where a Generating Plant's Interconnection Facilities connect to the Transmission System; and "**Points of Interconnection**" means all such Points of Interconnection shown on the Asset Separation One-Line Diagrams referred to in Attachment 1.

(q) "**Tariff**" means BC Hydro's Open Access Transmission Tariff ('OATT"), as amended from time to time.

(r) "**Transmission Provider**" has, at any time, the meaning then ascribed to that term in the Tariff.

(s) "**Transmission System**" has, at any time, the meaning then ascribed to that term in the Tariff.

1.2 Attachments

The following Attachments are attached hereto and form part of this Tariff Supplement:

Attachment 1	Generating Plants Interconnected to the Transmission System and Points of Interconnection
Attachment 2	Interconnection Facilities for Generating Plants
Attachment 3	Reserved
Attachment 4	Procedures for Interconnection of Modifications to Generating Plants

ARTICLE 2 INTERCONNECTED OPERATION

2.1 Interconnection of Generating Plants

Interconnection Service is provided for each Generating Plant at each Point of Interconnection in accordance with the terms and conditions of this Tariff Supplement.

2.2 Applicability of Tariff

Unless otherwise expressly contemplated by this Tariff Supplement, the terms and conditions of this Tariff Supplement will supercede and apply to the exclusion of the Standard Generator Interconnection Procedures ("SGIP"), including the Standard Generator Interconnection Agreement ("SGIA"), set forth in Attachment M-1 of the Tariff. In addition, for the purposes of a BC Hydro Interconnection Request, Schedule A of Attachment 4 of this Tariff Supplement ("Terms and Condition for Modifications") is deemed to be a SGIA.

2.3 Technical Requirements for Interconnection Service

The existing technical requirements for Interconnection Service for each Generating Plant at the Points of Interconnection and the existing Interconnection Facilities for each Generating Plant are set forth in Attachment 2. It is acknowledged that such requirements and facilities, and existing related facilities on the Transmission System, may not meet the Interconnection Requirements and, subject to Section 2.4, are deemed to be adequate for Interconnection Service and, through the provisions of this Tariff Supplement, are exempt from meeting any Interconnection Requirements which they do not meet as of the effective date of this Tariff Supplement-.

2.4 Modification to Interconnection and Generating Plants

(a) The BC Hydro Generation System shall be designed and constructed to meet the applicable Interconnection Requirements in effect at the time, provided that any existing facilities exempt from meeting the Interconnection Requirements, pursuant to Attachment 2, shall not be required to be modified, repaired, or replaced if such existing facilities are not impacted by the Modification.

(b) If BC Hydro, as the Interconnection Customer, requires a modification which will change the Point of Interconnection or increase the generating capacity of a Generating Plant or which may reasonably be expected to materially affect the stability or reliability of the Transmission System (each a "**Modification**"), then BC Hydro, as the Interconnection Customer, will submit an Interconnection Request to the Transmission Provider for the Modification in accordance with the Tariff and Attachment 4.

ARTICLE 3 METERING

3.1 General

Existing Metering Equipment, is deemed to be adequate to meet the metering requirements for interconnection to the Transmission System.

ARTICLE 4 GENERATING PLANT COMMUNICATIONS

4.1 Communication Obligations

Existing operating communications, are deemed to be adequate to meet the operating communications requirements for Generating Plant dispatch and reporting, including reporting by remote telemetry.

ARTICLE 5 OPERATIONS RELATED TO GENERATING PLANTS

5.1 General

BC Hydro shall comply with the Applicable Reliability Standards.

5.2 Operating Orders

Operating Orders will be developed, implemented, reviewed and amended, as necessary, with respect to the Interconnection Services and the operation of the Generating Plant interconnections.

5.3 Start-Up and Synchronization

BC Hydro, as the Interconnection Customer, is responsible for the proper synchronization of each Generating Plant to the Transmission System in accordance with the applicable Operating Orders.

5.4 Reactive Power

Transmission Provider shall treat all sources of reactive power in the Control Area in an equitable non-discriminatory manner, subject to Transmission Provider's duty to maintain Transmission System reliability.

ATTACHMENT 1
Generating Plants Interconnected to the Transmission System and Points of Interconnection

Separation of BC Hydro's Generation and Transmission Assets are maintained in accordance with Reliability Standards adopted by the British Columbia Utilities Commission, and are shown on the current revision of the Asset Separation One-Line Diagram for the Generating Plant

	Station	One-Line Diagram showing Boundary for Generation
1	Aberfeldie	ABN Asset Separation One-Line Diagram
2	Alouette	ALU Asset Separation One-Line Diagram
3	Ash River	ASH Asset Separation One-Line Diagram
4	Bridge River 1	BR1 Asset Separation One-Line Diagram
5	Bridge River 2	BR2 Asset Separation One-Line Diagram
6	Burrard	BSY Asset Separation One-Line Diagram
7	Cheakamus	CMS Asset Separation One-Line Diagram
8	Clowholm	COM Asset Separation One-Line Diagram
9	Elko	ELK Asset Separation One-Line Diagram
10	Falls River	FLS Asset Separation One-Line Diagram
11	Fort Nelson	FNG Asset Separation One-Line Diagram
12	GMS	GMS Asset Separation One-Line Diagram
13	John Hart	JHN Asset Separation One-Line Diagram
14	Jordan River	JOR Asset Separation One-Line Diagram
15	Kootenay Canal	KCL Asset Separation One-Line Diagram
16	Ladore	LDR Asset Separation One-Line Diagram
17	Lajoie	LAJ Asset Separation One-Line Diagram
18	Lake Buntzen 1	LB1 Asset Separation One-Line Diagram
19	Lake Buntzen 2	LB2 Asset Separation One-Line Diagram
20	Mica	MCA Asset Separation One-Line Diagram
21	Peace Canyon	PCN Asset Separation One-Line Diagram
22	Puntledge	PUN Asset Separation One-Line Diagram
23	Revelstoke	REV Asset Separation One-Line Diagram
24	Rupert Gas Turbine	RPG Asset Separation One-Line Diagram
25	Ruskin	RSN Asset Separation One-Line Diagram

	Station	**One-Line Diagram showing Boundary for Generation**
26	Seton	SON Asset Separation One-Line Diagram
27	Seven Mile	SEV Asset Separation One-Line Diagram
28	Shuswap	SHU Asset Separation One-Line Diagram
29	Spillmacheen	SPN Asset Separation One-Line Diagram
30	Stave Falls	SFN Asset Separation One-Line Diagram
31	Strathcona	SCA Asset Separation One-Line Diagram
32	Wahleach	WAH Asset Separation One-Line Diagram
33	Walter Hardman	WHN Asset Separation One-Line Diagram
34	Whatshan	WGS Asset Separation One-Line Diagram
35	Site C (to be re-named)	Site C Asset Separation One-Line Diagram

ATTACHMENT 2
Interconnection Facilities for Generating Plants

Facility Ratings are determined, maintained and communicated in accordance with Applicable Reliability Standards adopted by the British Columbia Utilities Commission, and are included in the current version of Generating Operating Order 1G-08.

ATTACHMENT 3

Reserved

ATTACHMENT 4

Procedures for Interconnection of Modifications to Generating Plants

1. Preamble

This Attachment contains the procedures that BC Hydro, as an Interconnection Customer, will use when an Interconnection Request is submitted pursuant to Section 2.4 of this Tariff Supplement 79.

2. Interconnection Procedures

(a) Sections 1 through 4, 6 through 10, and 12 of the Standard Generator Interconnection Procedures ("SGIP") apply to processing an Interconnection Request submitted by BC Hydro pursuant to Section 2.4 of Tariff Supplement 79, with the exception that no deposits are required to be submitted as referred to in the SGIP.

(b) Section 11 of the SGIP applies to an Interconnection Request submitted by BC Hydro pursuant to Section 2.4 of this Tariff Supplement 79, except that all references in the SGIP to "Standard Generator Interconnection Agreement" and "SGIA" will be replaced with "Terms and Conditions for Modifications" or "TCM" in accordance with following Section 3.

3. Terms and Conditions for Modifications

In accordance with Section 11 of the SGIP, as modified above, Transmission Provider will tender a TCM to BC Hydro, as the Interconnection Customer, in the attached form as provided in Schedule A.

Schedule A

TERMS AND CONDITIONS FOR MODIFICATIONS

WHEREAS:

A. Pursuant to Section 2.4 of Tariff Supplement 79, if BC Hydro, as an Interconnection Customer, proposes a Modification which will change the Point of Interconnection or increase the generating capacity of a Generating Plant or which may reasonably be expected to affect the stability or reliability of the Transmission System, an Interconnection Request will be submitted in relation to the Modification;

B. It has been determined that an Interconnection Request is required for <*> Generating Facility, and an Interconnection Request for the proposed Modification has been submitted to the Transmission Provider; and

C. The following terms and conditions will apply with respect to the Modification and these terms and conditions will be deemed to be the Standard Generator Interconnection Agreement ("SGIA") for this Interconnection Request.

Article 1. Definitions

1.1 "**BC Hydro's Interconnection Facilities**" means all facilities and equipment that are located between the Generating Facility and the Point of Interconnection, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission System. BC Hydro's Interconnection Facilities are sole use facilities.

1.2 **"Combined Study Agreement"** means the Combined Study Agreement dated <*> in respect of the Generating Facility.

1.3 **"Commercial Operation"** means the status of a Generating Facility that has completed Trial Operation, and for which BC Hydro, as the Interconnection Customer, has issued a Declaration of Compatibility-Generator (Operating) or such other document(s) of similar effect as may be substituted therefore, and for which BC Hydro, as the Interconnection Customer, has completed a Commissioning Notice to Operate.

1.4 **"Commercial Operation Date"** of a unit means the date on which the Generating Facility commences Commercial Operation as confirmed by BC Hydro, as the Interconnection Customer, pursuant to Appendix D to these Terms and Conditions.

1.5 **"Commissioning Interconnection Service"** means the service provided by the Transmission Provider associated with interconnecting the Generating Facility to the Transmission System and enabling it to receive electric energy and capacity from the

Generating Facility at the Point of Interconnection for Trial Operation of the Generating Facility prior to Commercial Operation, pursuant to the terms of these Terms and Conditions and, if applicable, the Tariff.

1.6 "**Generating Facility**" means the Modification to the Generating Plant, , as described in the Interconnection Feasibility Study, the Interconnection Facilities Study and Appendix C, but does not include BC Hydro's Interconnection Facilities.

1.7 **"Interconnection Facilities Study"** means the Interconnection Facilities Study dated <*> in respect of the Generating Facility.

1.8 **"Interconnection Request"** means the request, in the form of Appendix 1 to the Standard Generator Interconnection Procedures in respect of the Generating Facility.

1.9 **"Modification"** means a modification, addition, repair, replacement or change in operation of or to all or a portion of the BC Hydro Generation System.

1.10 **"Network Resource"** has the meaning provided in the Tariff.

1.11 **Network Upgrades"** mean the additions, modifications, and upgrades to the Transmission System required at or beyond the Point of Interconnection to accommodate the interconnection of the Generating Facility to the Transmission System.

1.12 "**Point of Interconnection**" means the point where the Generating Plant that is the subject of the Modification connects to the Transmission System as set out in Appendix 1 to Tariff Supplement 79.

Article 2. Effective Date and Term

2.1 **Effective Date**. These Terms and Conditions will be deemed effective upon being confirmed in writing by BC Hydro, as the Interconnection Customer, subject to acceptance by the Commission (if applicable) or if filed unexecuted, upon the date specified by the Commission. Transmission Provider will promptly file these Terms and Conditions in accordance with Article 3.1, if required.

2.2 **Term and Termination.** These Terms and Conditions will apply until the Commercial Operation Date, provided that these Terms and Conditions may be terminated by BC Hydro, as the Interconnection Customer, after giving the Transmission Provider ninety (90) calendar days advance written notice. If the Generating Facility fails to achieve Commercial Operation within three (3) years of the target date for Commercial Operation set out in Appendix B these Terms and Conditions will be terminated by the Transmission Provider, unless an extension of time is approved by the Commission.

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider will file these Terms and Conditions (and any amendments hereto) with the appropriate Governmental Authority, if required.

Article 4. Scope Of Service

4.1 Commissioning Interconnection Service.

4.1.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in the same manner as all Network Resources. Transmission Provider will construct the facilities identified as Network Upgrades in Appendix A to this Agreement.

4.1.2 Transmission Delivery Service Implications. Commissioning Interconnection Service allows the Generating Facility to be studied as a Network Resource on the assumption that the Generating Facility will be designated under the Tariff as a Network Resource on the Transmission System, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to the Transmission System, and that such a designation will occur. Commissioning Interconnection Service does not convey a reservation of transmission service.

To the extent BC Hydro, as an Interconnection Customer, does designate the Generating Facility as a Network Resource, it must do so pursuant to the Tariff.

Once BC Hydro, as the Interconnection Customer, satisfies the requirements for obtaining Commissioning Interconnection Service, any future transmission service request for delivery from the Generating Facility within the Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by BC Hydro, as the Interconnection Customer, as a Network Resource. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent BC Hydro, as an Interconnection Customer, enters into an arrangement for long term transmission service for deliveries from the Generating Facility outside the Transmission System, such request may require additional studies and upgrades in order for Transmission Provider to grant such request.

4.2 Provision of Service. Transmission Provider will provide Commissioning Interconnection Service for the Generating Facility at the Point of Interconnection.

4.3 **Performance Standards**. BC Hydro will perform all of its obligations under this Agreement in accordance with applicable laws and regulations, Applicable Reliability Standards, and Good Utility Practice.

4.4 **No Transmission Service**. These Terms and Conditions do not constitute a request for, nor the provision of, any transmission service under the Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 **Purpose of BC Hydro's Interconnection Facilities**. Except as may be required by applicable laws and regulations, or as otherwise determined by BC Hydro, BC Hydro's Interconnection Facilities shall be constructed for the sole purpose of interconnecting the Generating Facility to the Transmission System and shall be used for no other purpose.

Article 5. Interconnection Facilities Engineering, Procurements and Construction

5.1 **Construction Timing.** The In-Service Date, Initial Synchronization Date and target Commercial Operation Date will be set forth in Appendix B, Milestones.

5.2 **Equipment Procurement**. Transmission Provider will commence design of Network Upgrades and procure necessary equipment as soon as practicable after completion of the Interconnection Facilities Study pursuant to the Combined Study Agreement.

5.3 **Construction Commencement**. Transmission Provider will commence construction of Network Upgrades as soon as practicable after the following additional conditions are satisfied:

5.3.1 Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval; and

5.3.2 Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of Network Upgrades.

5.4 **Limited Operation**. If Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Facility, Transmission Provider may perform operating studies on a timely basis to determine the extent to which the Generating Facility and BC Hydro's Interconnection Facilities may operate prior to the completion of Network Upgrades consistent with applicable laws and regulations, Applicable Reliability Standards, Good Utility Practice, and these Terms and Conditions. BC Hydro may operate the Generating Facility and BC Hydro's Interconnection Facilities in accordance with the results of such studies.

5.5 **BC Hydro's Interconnection Facilities ("BCHIF")**. BC Hydro will, at its expense, design, procure, construct, own and install the BCHIF, as set forth in Appendix A, Interconnection Facilities and Network Upgrades. The BCHIF will be designed and

constructed in accordance with Good Utility Practice, to ensure that the BCHIF are compatible with the technical specifications (including the Technical Interconnection Requirements), operational control, and safety requirements of BC Hydro.

5.6 **Suspension.** BC Hydro, as the Interconnection Customer, reserves the right, upon written notice to the Transmission Provider, to suspend at any time all work by the Transmission Provider associated with the construction and installation of Network Upgrades required under these Terms and Conditions with the condition that the Transmission System will be left in a safe and reliable condition in accordance with Good Utility Practice and BC Hydro's safety and reliability criteria. In the event that BC Hydro, as the Interconnection Customer, suspends work by the Transmission Provider required under these Terms and Conditions pursuant to this Article 5.6, and has not requested the Transmission Provider to recommence the work required under these Terms and Conditions on or before the expiration of three (3) years following commencement of such suspension, these Terms and Conditions will be deemed terminated. The three-year period will begin on the date the suspension is requested, or the date of the written notice to the Transmission Provider, if no effective date is specified.

Article 6. Start-Up and Synchronization

6.1 **Start-Up and Synchronization**. BC Hydro, as the Interconnection Customer, is responsible for the proper synchronization of the Generating Facility to the Transmission System.

6.2 **Commercial Operation**. BC Hydro will amend, no later than the Commercial Operation Date, Attachments 1 and 2 to Tariff Supplement 79 to reflect the updated information required for these Attachments.

These Terms and Conditions are confirmed by BC Hydro, as the Interconnection Customer.

_____

Project Manager

_____

Date

List of Appendices:

Appendix A Interconnection Facilities and Network Upgrades

Appendix B Milestones

Appendix C Interconnection Details

Appendix D Commercial Operation Date.

Appendix A

Interconnection Facilities and Network Upgrades

1. BC Hydro's Interconnection Facilities:

   (a) [insert BC Hydro's Interconnection Facilities]:

2. Network Upgrades:

   (a) [insert Stand Alone Network Upgrades]:

   (b) [insert Other Network Upgrades]:

Appendix B

Milestones

Appendix C

Interconnection Details

Appendix D

Commercial Operation Date

[Date]

Attention:

Re: _____Generating Facility

On **[Date]** BC Hydro has completed Trial Operation of Unit No. ___. This letter confirms that BC Hydro commenced Commercial Operation of Unit No. ___ at the Generating Facility, effective as of **[Date plus one day]**.

[Signature]

[BC Hydro Representative]

Network Economy Service

1. In this Tariff Supplement:

"Alberta Pool Price" means the hourly pool price that is established for the Alberta real-time electricity market.

"BC-AB Intertie" means the transmission interconnection between the Transmission System and the Alberta Integrated Electric System.

"BC-US Intertie" means the transmission interconnection between the Transmission System and the Bonneville Power Authority transmission system.

"ICE" means Intercontinental Exchange Inc. or its successors

"Network Economy Service" is as defined in section 1 of Attachment Q-2.

"Tariff" means the Transmission Provider's Open Access Transmission Tariff

"Threshold Purchase Price" means the Threshold Purchase Price, as defined in the Transfer Pricing Agreement, and as determined from time to time by the Transmission Provider.

"Transfer Pricing Agreement" means the current version of the Transfer Pricing Agreement for Electricity and Gas between BC Hydro and Powerex Corp.

Other capitalized terms have the meaning ascribed to them in the Tariff

2. For the purposes of section 2 of Attachment Q-2 to the Tariff:

(a) At all times, in the case of imports using Network Economy Service over the BC-US Intertie or the BC-AB Intertie, the Trigger Price is the Threshold Purchase Price.

(b) Reserved

(c) At all times, in the case of imports using Network Economy Service over the BC-US Intertie, the Market Price is:

(i) for Hours Ending 07:00:00 to 22:00:00 (Monday to Saturday, excluding NERC Holidays) the ICE Mid-C Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report, net of transmission losses, from the last day available as of 16:00:00 of each current day; and

(ii) for Hours Ending 01:00:00 to 06:00:00, Hour Ending 23:00:00 and Hour Ending 24:00:00 (Monday to Saturday and all day Sunday and NERC Holidays) the ICE Mid-C Off-Peak weighted average index price, as published by ICE in the ICE Day Ahead Power Price Report, net of transmission losses, from the last day available as of 16:00:00 of each current day.

(d) At all times, in the case of imports using Network Economy Service over the BC-AB Intertie, the Market Price is, for each hour, the most recently available Alberta Pool Price for each hour posted as of 16:00:00.

3. For the purposes of section 4 of Attachment Q-2, the Transmission Provider will, on a weekly basis, post the date and time of any changes to the Threshold Purchase Price which the Transmission Provider communicates to Powerex.

The Threshold Purchase Price is treated as confidential by the Transmission Provider.

4. The Transmission Provider will prepare reports for each quarter of the calendar year, and post the reports on its website and file them with the Commission by the end of the following quarter. The quarterly reports will set out the following information:

(a) The Threshold Purchase Price at the start of the quarter; each change in the Threshold Purchase Price during the quarter; the date of each change during the quarter;

(b) Net domestic volumes allocated pursuant to the Transfer Pricing Agreement for each month of the quarter;

(c) Reserved;

(d) Monthly system peaks during the quarter for the integrated domestic system, and estimates for the Lower Mainland - Vancouver Island;

(e) A written attestation by an officer of the Transmission Provider to the veracity of the information: i) contained in the reports pursuant to sections 4(a) to (d), above, and ii) posted pursuant to section 3 above.

ALTAGAS NORTHWEST PROJECTS UMBRELLA AGREEMENT

May 28, 2010

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

TABLE OF CONTENTS

		Page
SECTION 1	**INTERPRETATION**	**2**
1.1	Definitions	2
1.2	Interpretation	4
1.3	Governing Law	5
1.4	Headings	5
1.5	Entire Agreement	5
1.6	Schedules	5
SECTION 2	**FK PROJECT AND OTHER PROJECTS INTERCONNECTION**	**6**
2.1	Development of FK Project	6
2.2	FK IR	6
2.3	FK IR Process	6
2.4	FK Project SGIA	6
2.5	CMHLP Representations	6
SECTION 3	**THE 287KV SYSTEM**	**6**
3.1	Development of the 287kV System	6
3.2	CMHLP Payments Details	6
3.3	Security	7
3.4	Cooperation in Regulatory Processes	7
3.5	Standstill	7
3.6	Pioneer Rights	7
3.7	Changes to FK Project Target ISD	8
3.8	Changes to 287kV System Target ISD	8
SECTION 4	**SHARING OF UNDERAGES**	**8**
4.1	Sharing of Underages on the FK Project and the 287kV System	8
4.2	Sharing of Underages on the Other Projects	10
SECTION 5	**CONDITIONS PRECEDENT**	**11**
5.1	BCTC's Conditions Precedent	11
5.2	Sole Benefit of BCTC	13
5.3	CMHLP Bound	13
5.4	CMHLP's Conditions Precedent	13
5.5	Sole Benefit of CMHLP	13
5.6	BCTC Bound	13
SECTION 6	**FORCE MAJEURE**	**13**
6.1	Force Majeure	13
SECTION 7	**ABANDONMENT AND TERMINATION**	**14**
7.1	Termination for Failure to Satisfy Conditions Precedent	14
7.2	Termination for Legal Proceedings	14
7.3	Termination for Default	14

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

TABLE OF CONTENTS
(continued)

		Page
7.4	Termination for Termination of EPA	14
7.5	Effect of Termination and Survival	15
SECTION 8	**DEFAULT / REMEDIES**	**17**
8.1	Default	17
8.2	Effect of Default	18
8.3	Remedies	18
8.4	Consequential Damages	19
SECTION 9	**DISPUTE RESOLUTION**	**19**
9.1	Dispute	19
9.2	Meeting To Negotiate Resolution	19
9.3	Mediation	19
9.4	Inadmissibility of Negotiations and Discussions	19
9.5	Arbitration	20
9.6	Adjudication in Law and Equity	20
9.7	Shared Costs	20
SECTION 10	**PROJECT COMMUNICATION**	**20**
10.1	Working Group	20
10.2	Working Group Meetings	20
10.3	Working Group Mandate	20
10.4	Exchange of Information	20
10.5	Press Releases and Other Public Statements	20
10.6	Restrictions on Disclosure	21
SECTION 11	**GENERAL**	**21**
11.1	Notice	21
11.2	Taxes	21
11.3	Enurement	21
11.4	Time of the Essence	21
11.5	Waiver	21
11.6	Further Assurances	21
11.7	Assignment	22
11.8	No Partnership	22
11.9	Counterparts	22

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

ALTAGAS NORTHWEST PROJECTS UMBRELLA AGREEMENT

THIS AGREEMENT is made the 28th day of May, 2010.

BETWEEN:

BRITISH COLUMBIA TRANSMISSION CORPORATION, a Crown corporation with an office at Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, BC V7X 1V5

("**BCTC**");

AND:

COAST MOUNTAIN HYDRO LIMITED PARTNERSHIP, a limited partnership formed under the laws of British Columbia with an office at Oceanic Plaza, P.O. Box 12510, 2500 - 1066 West Hastings Street, Vancouver, BC V6E 3X1

("**CMHLP**");

WHEREAS:

A. CMHLP beneficially holds certain agreements, rights and permits to develop the FK Project, including a proposed transmission line from the FK Project to Meziadin Junction (the "**FK-Mez System**") to interconnect the FK Project to the Transmission System, and has submitted an Interconnection Request to BCTC in accordance with the SGIP in connection therewith (the "**FK IR**");

B. CMHLP beneficially holds certain agreements, rights and permits to develop the Other Projects, and intends to develop the Other Projects in the future, including transmission lines between each of them and the FK Project to enable the electrical output of the Other Projects to be transmitted to the FK Project, and from there to the Transmission System;

C. The BC Government and BCTC have determined that the 287kV System is a better means to interconnect the FK Project (and ultimately the output of the Other Projects) to the Transmission System and to facilitate the supply of electricity to and the receipt of electricity from other future developments in the area, and has proposed interconnecting the FK Project to the 287kV System at the proposed Bob Quinn Substation and has requested that CMHLP agree to same and support and periodically make payments to BCTC to assist BCTC in respect of the development of the 287kV System;

D. BCTC and CMHLP have each agreed to interconnect the FK Project to the 287kV System at the Bob Quinn Substation by way of a proposed transmission line from the FK Project to the Bob Quinn Substation (the "**FK-BQ System**"), and CMHLP considers it to be in the best interests of its business activities to enter into this Agreement, and to participate in, support and periodically make payments to BCTC to assist BCTC in respect of the development of the 287kV System on the terms and conditions set out herein;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

E. As a result, CMHLP has determined that it will not proceed with the development of the FK-Mez System;

F. In addition to any electricity purchase agreements that CMHLP may enter into in respect of the Other Projects, CMHLP intends to enter into the EPA with BC Hydro in respect of the FK Project on terms and conditions that it considers beneficial, and it is anticipated that, pursuant to the EPA BC Hydro will be permitted to terminate the EPA if, at any time, CMHLP fails to perform its obligations under this Agreement, including its obligations to make any particular periodic payment to BCTC as and when required under this Agreement;

G. CMHLP anticipates that entering into this Agreement also will benefit its business interests relating to first nation and financing agreements; and

H. The Parties wish to set out their agreement in respect of the development of, and the terms and conditions of interconnecting the FK Project and the output of the Other Projects to the 287kV System, all on and subject to the terms and conditions set out herein, including without limitation the terms and conditions of this Agreement addressing, among other things, the agreement between the Parties to move the Point of Interconnection for the FK Project to the Bob Quinn Substation, and the FK Project SGIA addressing the terms and conditions of interconnection service to be provided by BCTC to CMHLP at the Bob Quinn Substation in connection with the FK Project and the output of the Other Projects, which terms and conditions include the continued performance by CMHLP of its obligations hereunder.

IN CONSIDERATION of $1 paid by each of the Parties to the other and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of the Parties) and the mutual promises contained in this Agreement the Parties agree as follows:

SECTION 1
INTERPRETATION

1.1 **Definitions**. In this Agreement, capitalized words not otherwise defined will have the meanings given to them in the SGIP, and:

(a) "**287kV System**" means a 287kV transmission line and related facilities between BC Hydro's Skeena substation and the Bob Quinn Substation;

(b) "**287kV System ISD**" means the in-service date of the 287kV System;

(c) "**287kV System Target ISD**" means the date that is four months before the FK Project Target ISD, or such later date as designated pursuant to Section 3.5, 3.8 and 8.3(a)(iv);

(d) "**Agreement**" means this Altagas Northwest Projects Umbrella Agreement, and all of the Schedules hereto, as they may be amended, replaced or supplemented from time to time;

(e) "**BC Hydro**" means British Columbia Hydro and Power Authority;

(f) "**Bob Quinn Substation**" means a new substation to be constructed as part of the 287kV System in the vicinity of Bob Quinn Lake;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

(g) "**Business Day**" means any day except Saturdays, Sundays or statutory holidays in British Columbia;

(h) "**CMHLP Payments**" means the amounts to be paid by CMHLP to BCTC pursuant to Schedule B;

(i) "**Decision Date**" means December 1, 2010;

(j) "**Default**" has the meaning given to that term in Section 8.1;

(k) "**Dispute**" has the meaning given to that term in Section 9.1;

(l) "**Dispute Notice**" has the meaning given to that term in Section 9.2;

(m) "**EPA**" has the meaning given to that term in Section 5.1(a)(iii);

(n) "**Federal Contribution**" has the meaning given to that term in Section 5.1(b)(i);

(o) "**FK IR**" has the meaning given to that term in Recital A;

(p) "**FK IR Queue Position**" has the meaning given to that term in Section 2.1;

(q) "**FK Project**" means CMHLP's proposed Forrest Kerr Hydroelectric Project, a 195 MW hydroelectric generating facility to be located on the Iskut River near its confluence with Forrest Kerr Creek;

(r) "**FK Project ISD**" means the Commercial Operation Date (as that term is defined in the EPA) of the FK Project;

(s) "**FK Project SGIA**" means a modified standard generator interconnection agreement in accordance with the SGIP for the FK Project in the form attached hereto as Schedule G;

(t) "**FK Project Target ISD**" means July 1, 2014, which as of the date of this Agreement is CMHLP's target Commercial Operation Date (as that term is defined in the EPA) pursuant to the EPA, or such later date as designated pursuant to Section 3.7;

(u) "**FK-BQ System**" has the meaning given to that term in Recital A;

(v) "**FK-Mez System**" has the meaning given to that term in Recital A;

(w) "**Force Majeure**" means any act of God, civil disobedience, labour 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, including without limitation any injunction or declaration relating to the obligation to consult with and accommodate the interests of First Nations, or any other cause beyond a Party's control, but does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

(x) "**GST/HST**" means the tax payable under Part IX of the *Excise Tax Act* (Canada);

(y) "**Mclymont Project**" means CMHLP's proposed 66 MW Mclymont project to be located on McLymont Creek, near its confluence with the Iskut River, in Northern British Columbia;

(z) "**Mediation Notice**" has the meaning given to that term in Section 9.3(a);

(aa) "**Mediation Period**" has the meaning given to that term in Section 9.3(b);

(bb) "**Meziadin Junction**" means BC Hydro's Meziadin Junction substation;

(cc) "**Negotiation Meeting**" has the meaning given to that term in Section 9.2;

(dd) "**NTL Working Group**" has the meaning given to that term in Section 10.1;

(ee) "**Other Projects**" means the Mclymont Project and the Volcano Project;

(ff) "**Parties**" means the parties to this Agreement, and "**Party**" means any one of them;

(gg) "**Person**" means an individual, legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization, association or governmental authority;

(hh) "**Prime Rate**" means the floating prime interest rate announced from time to time by the main branch of Bank of Montreal in Vancouver, or any successor thereto, expressed as an annual rate, as the reference rate it will use to determine rates of interest payable on Canadian dollar commercial loans made in Canada;

(ii) "**Security**" means the security to be granted by CMHLP to BCTC pursuant to Schedule B;

(jj) "**Security Date**" means the earlier of: (i) the date agreed upon by the Parties as contemplated by Section 7.2; and (ii) the date on which BCTC provides written notice to CMHLP waiving its rights pursuant to Section 7.2;

(kk) "**SGIP**" means BCTC's Standard Generator Interconnection Procedures tariff, as amended or replaced from time to time;

(ll) "**Transmission System**" means those facilities owned by BC Hydro or BCTC, and operated by BCTC, over or in connection with which BCTC offers service under its Open Access Transmission Tariff; and

(mm) "**Volcano Project**" means CMHLP's proposed 16 MW Volcano project to be located on Volcano Creek, in Northern British Columbia.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

1.2 **Interpretation**. For the purposes of this Agreement, except as otherwise expressly provide herein:

(a) all references in this Agreement to a designated section, subsection, paragraph, or other subdivision, or to a Schedule, is to the designated section, subsection, paragraph or other subdivision of or Schedule to this Agreement unless otherwise specifically stated, and includes in respect of those Schedules that contain the form of an agreement to entered into by two or more of the Parties, any such agreement entered into by such Parties;

(b) the words "**herein**", "**hereof**" and "**hereunder**" and other words of similar import refer to this Agreement as a whole and not to any particular section, subsection, paragraph or other subdivision of or Schedule to this Agreement;

(c) the singular of any term includes the plural and vice versa and the use of any term is equally applicable to any gender and where applicable to a body corporate;

(d) the word "including" whether or not followed by the words "without limitation" or similar words means "including but not limited to";

(e) all references to money in this Agreement refer to lawful money of Canada and all amounts to be calculated or paid pursuant to this Agreement are to be calculated and paid in lawful money of Canada;

(f) all references to any statute in this Agreement includes any subsequent legislation enacted in substitution thereof and all regulations made thereunder; and

(g) any reference to a corporate or other business entity includes and is also a reference to any corporate or other business entity that is a successor to such entity by operation of law or is a permitted assignee.

1.3 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, without reference to its conflict of law principles, and, subject to Section 9, the Parties submit and attorn to the exclusive jurisdiction of the Courts of the Province of British Columbia.

1.4 **Headings**. The headings in this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

1.5 **Entire Agreement**. This Agreement constitutes the entire agreement among the Parties and supersedes all prior understandings, representations, communications and agreements, oral or written, by and among the Parties with respect to the subject matter of this Agreement. No inducements have been made, given or relied upon by any one or more of such entities in connection herewith.

1.6 **Schedules**. The following are the Schedules attached to and forming a part of this Agreement:

Schedule A	Form of Letter of Credit;
Schedule B	CMHLP Payments and Security;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

Schedule C	FK Project Budget;
Schedule D	287kV System Budget;
Schedule E	Melymont Project Budget;
Schedule F	Volcano Project Budget; and
Schedule G	FK Project SGIA.

SECTION 2
FK PROJECT AND OTHER PROJECTS INTERCONNECTION

2.1 **Development of FK Project**. CMHLP shall use its reasonable commercial efforts to achieve a FK Project ISD on or before July 1, 2014.

2.2 **FK IR**. The Parties acknowledge that:

(a) CMHLP has submitted the FK IR to BCTC, and the FK IR has been assigned a Queue Position in accordance with the SGIP (the "**FK IR Queue Position**"); and

(b) the FK IR contemplates the output of both the FK Project and the Other Projects, and once executed the FK Project SGIA will provide for Network Resource Interconnection Service sufficient to accommodate both the FK Project and the output of the Other Projects.

2.3 **FK IR Process**. The FK IR shall be processed by BCTC in accordance with the SGIP. CMHLP shall be responsible for and pay to BCTC all study costs in connection with the FK IR as contemplated by the SGIP. The Parties agree that they have identified changes to the planned interconnection of the FK Project that may improve costs and benefits of the interconnection as contemplated by Section 4.4 of the SGIP, and have agreed to modify the Point of Interconnection and configuration of the FK IR to specify a Point of Interconnection for the FK Project at the Bob Quinn Substation on the 287kV System.

2.4 **FK Project SGIA**. BCTC and CMHLP shall enter into the FK Project SGIA in connection with the FK IR in accordance with the processes set out in the SGIP as though it was a Standard Generator Interconnection Agreement.

2.5 **CMHLP Representations**. CMHLP hereby represents, warrants and covenants to and with BCTC that: (i) as of the date hereof it holds the beneficial interest in all agreements, rights and permits to develop the FK Project and the Other Projects as may exist as of the date hereof; and (ii) subject to Section 11.7, it will continue to be the holder of the beneficial interest in all agreements, rights and permits in connection with the FK Project and the Other Projects.

SECTION 3
THE 287KV SYSTEM

3.1 **Development of the 287kV System**. BCTC shall use its reasonable commercial efforts to achieve a 287kV System ISD on or before the later of: (i) the date that is four months before the FK Project Target ISD; (ii) the 287kV System Target ISD as extended in accordance with Sections 3.5 or 8.3(a)(iv) only, and for certainty, excluding any extensions of the 287kV

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

System Target ISD in accordance with Section 3.8 for reasons other than those contemplated by Sections 3.5 or 8.3(a)(iv).

3.2 **CMHLP Payments Details**. CMHLP agrees to pay to BCTC the CMHLP Payments to assist with the costs to be incurred by BCTC in connection with BCTC's development and operation of the 287kV System and the provision by BCTC of Interconnection Service to CMHLP at Bob Quinn Substation in connection with the FK Project and the output of the Other Projects, and CMHLP agrees to provide the Security, each as provided for in Schedule B. Where the Security is in the form of a letter of credit, such letter of credit shall be substantially in the form attached hereto as Schedule A and shall be issued or advised by a branch in Vancouver, Canada of one or more financial institutions having an A- or better credit rating from Standard & Poors Rating Group or the equivalent thereof from Moody's Investors Service, Inc., or such other financial institution(s) acceptable to BCTC. Interest will accrue on those portions of the CMHLP Payments not paid by the date specified in Schedule B at the Prime Rate plus 3%, compounded monthly. So long as this Agreement remains in force and effect, except for the CMHLP Payments and other rates and charges payable to BCTC under this Agreement and the FK Project SGIA (which CMHLP acknowledges will include a requirement to post a letter of credit in respect of certain Network Upgrades at Bob Quinn Substation), CMHLP shall not have any responsibility or liability for any costs relating to, or to contribute additional monies in respect of, the development or operation of the 287kV System, or in connection with receiving Interconnection Service for the FK Project and the output of the Other Projects at Bob Quinn Substation.

3.3 **Security**. If CMHLP fails to pay all or any of the CMHLP Payments as required by this Agreement or any other amounts it is obligated to pay pursuant to or in connection with this Agreement, BCTC shall be entitled to draw upon and enforce the Security to recover the unpaid amounts plus accrued interest on those amounts where applicable.

3.4 **Cooperation in Regulatory Processes**. CMHLP shall cooperate with BCTC, and provide such assistance as BCTC may reasonably request, towards the successful completion of all permitting and approval processes in connection with the 287kV System. CMHLP shall make such of its personnel and its general partner's personnel available as may reasonably be required for purposes of the foregoing to participate in, respond to inquiries in connection with, and provide all reasonable information and data in connection with, all such permitting and approval processes.

3.5 **Standstill**. CMHLP shall not: (i) proceed with the construction of all or any part of the FK-Mez System except to the extent necessary to interconnect the FK Project to the 287kV System at the Bob Quinn Substation or to preserve its rights to proceed with the development of the FK-Mez System in the event this Agreement is terminated; or (ii) do anything or take any steps that could reasonably be expected to interfere with, prevent or delay the development or construction of the 287kV System without first advising BCTC and attempting to minimize and mitigate any such impacts, and to the extent unmitgated, BCTC may, acting reasonably, extend the 287kV System Target ISD to take into account such impacts on written notice to CMHLP. All costs incurred by CMHLP to interconnect the FK Project to the 287kV System at the Bob Quinn Substation or to preserve its rights to proceed with the development of the FK-Mez System shall be at CMHLP's sole risk.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

3.6 **Pioneer Rights**. CMHLP acknowledges and agrees that it shall not acquire in connection with this Agreement or the matters contemplated hereby any rights, capacity, reservations, compensation or service in connection with or on the 287kV System, or any part thereof, other than pursuant to the FK Project SGIA and this Agreement. For greater certainty, CMHLP shall not acquire or have any ownership in or ownership-like rights to the 287kV System, or any part thereof, or the right to receive reimbursement for any of the CMHLP Payments or any other costs associated with the 287kV System or any portion of any revenues that may be received from future users of the 287kV System other than pursuant to this Agreement.

3.7 **Changes to FK Project Target ISD**. At BCTC's request from time to time CMHLP shall consider the reasonableness of the FK Project Target ISD. If at any time, or from time to time, whether as a result of BCTC's request or otherwise, CMHLP determines in good faith and acting reasonably that it will not require Interconnection Service for the FK Project on the 287kV System Target ISD, it shall, as soon as practicable, provide written notice to BCTC extending the FK Project Target ISD to such later date as is four months after the date on which CMHLP reasonably expects it will require Interconnection Service for the FK Project, and the 287kV System Target ISD shall be correspondingly extended pursuant to Section 3.1.

3.8 **Changes to 287kV System Target ISD**. At CMHLP's request from time to time BCTC shall consider the reasonableness of the 287kV System Target ISD. If at any time, or from time to time, whether as a result of CMHLP's request or otherwise, BCTC determines in good faith and acting reasonably that it will not achieve 287kV System ISD by the 287kV System Target ISD, it shall, as soon as practicable, provide written notice to CMHLP extending the 287kV System Target ISD to such later date as it reasonably expects to achieve 287kV System ISD.

SECTION 4
SHARING OF UNDERAGES

4.1 **Sharing of Underages on the FK Project and the 287kV System**.

(a) No later than one hundred and eighty (180) days after the FK Project ISD or the 287kV System ISD, whichever is last to occur (or such later date as CMHLP and BCTC, both acting reasonably, may agree as appropriate to resolve any outstanding contractor claims in relation to the FK Project and the 287kV System, as the case may be):

(i) CMHLP shall prepare and deliver to BCTC a detailed accounting (the "**FK Project Accounting**") of all costs incurred by CMHLP in the development and construction of the FK Project corresponding to those same categories of costs as set out in the detailed budget for the FK Project attached hereto as Schedule C, and bona fide incentive or bonus payments paid or due and owing by CMHLP to independent arm's length contractors for having completed work on the FK Project early or under budget (collectively, the "**FK Project Costs**"), and attaching copies of all invoices and other evidence reasonably substantiating all such costs; and

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

(ii) BCTC shall prepare and deliver to CMHLP a detailed accounting (the "**287kV Accounting**") of all costs incurred by BCTC in the development and construction of the 287kV System corresponding to those same categories of costs as set out in the detailed budget for the FK Project attached hereto as Schedule D, and bona fide incentive or bonus payments paid or due and owing by BCTC to independent arm's length contractors for having completed work on the 287kV System early or under budget (collectively, the "**287kV System Costs**"), and attaching copies of all invoices and other evidence reasonably substantiating all such costs.

(b) For a period of ninety (90) days after receipt by BCTC of the FK Project Accounting CMHLP shall provide BCTC, and/or a third party designated by BCTC, with reasonable and timely access to all of CMHLP's books and records relevant to determining the FK Project Costs, and to the premises where such books and records are located, to enable appropriate reviews, audits, inspections, examinations and monitoring to be conducted relating thereto, to verify the FK Project Accounting, and CMHLP shall, and shall ensure that all of its personnel, provide full co-operation and assistance to BCTC in connection therewith.

(c) For a period of ninety (90) days after receipt by CMHLP of the 287kV Accounting BCTC shall provide CMHLP, and/or a third party designated by CMHLP, with reasonable and timely access to all of BCTC's books and records relevant to determining the 287kV System Costs, and to the premises where such books and records are located, to enable appropriate reviews, audits, inspections, examinations and monitoring to be conducted relating thereto, to verify the 287kV Accounting, and BCTC shall, and shall ensure that all of its personnel, provide full co-operation and assistance to BCTC in connection therewith.

(d) BCTC may initiate a Dispute as to the accuracy of the FK Project Accounting pursuant to Section 9 by delivering a Dispute Notice no later than ten (10) days after the expiry of the ninety (90) day audit period contemplated in Section 4.1(b). CMHLP may initiate a Dispute as to the accuracy of the 287kV Accounting pursuant to Section 8 by delivering a Dispute Notice no later than ten (10) days after the expiry of the ninety (90) day audit period contemplated in Section 4.1(c). If BCTC or CMHLP fails to deliver a Dispute Notice within such period, it shall be deemed to have accepted the FK Project Accounting or 287kV Accounting, respectively, as accurate and may not thereafter initiate a Dispute in connection therewith other than in connection with fraud or willful misconduct of the other party.

(e) For purposes of Section 4.1(f), "**Underages Payment**" means an amount calculated in accordance with the following formula:

$$FKU - 287U$$

where:

(A) "FKU" represents the FK Project underage, if any, and is equal to the greater of zero and

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

$$\frac{(95\% \times E) - \text{FK Project Costs}}{2}$$

where E = the budgeted FK Project Costs as set out in the budget for the FK Project attached hereto as Schedule C; and

(B) "287U" represents the 287kV System underage, if any, and is equal to the greater of zero and

$$\frac{(95\% \times E) - \text{287kV System Costs}}{2}$$

where E = the budgeted 287kV System Costs as set out in the budget for the 287kV System attached hereto as Schedule D.

(f) Within thirty (30) days of the last to occur of:

(i) expiry of the ninety (90) day audit period contemplated in Section 4.1(b);

(ii) expiry of the ninety (90) day audit period contemplated in Section 4.1(c); and

(iii) final resolution of all Disputes initiated within the ten (10) day periods contemplated in Section 4.1(d),

if the Underages Payment is a positive number, CMHLP shall pay the Underages Payment to BCTC, or if the Underages Payment is a negative number, BCTC shall pay the absolute value of the Underages Payment to CMHLP, in each case plus applicable GST/HST.

4.2 **Sharing of Underages on the Other Projects.**

(a) No later than ninety (90) days after the Commercial Operation Date (as that term is defined in the electricity purchase agreement between BC Hydro and CMHLP applicable to the Other Project) for each of the Other Projects (or such later date as CMHLP and BCTC, both acting reasonably, may agree as appropriate to resolve any outstanding contractor claims in relation to the applicable Other Project, as the case may be), CMHLP shall prepare and deliver to BCTC a detailed accounting (each, an "**Other Projects Accounting**") of all costs incurred by CMHLP in the development and construction of the applicable Other Project corresponding to those same categories of costs as set out in the detailed budget for such Other Project attached hereto as Schedule E or F, as applicable, and bona fide incentive or bonus payments paid or due and owing by CMHLP to independent arm's length contractors for having completed work on such Other Project early or under budget (collectively, the "**Other Project Costs**"), and attaching copies of all invoices and other evidence reasonably substantiating all such costs; and

(b) For a period of ninety (90) days after receipt by BCTC of an Other Project Accounting CMHLP shall provide BCTC, and/or a third party designated by

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

BCTC, with reasonable and timely access to all of CMHLP's books and records relevant to determining the Other Project Costs, and to the premises where such books and records are located, to enable appropriate reviews, audits, inspections, examinations and monitoring to be conducted relating thereto, to verify such Other Project Accounting, and CMHLP shall, and shall ensure that all of its personnel, provide full co-operation and assistance to BCTC in connection therewith.

(c) BCTC may initiate a Dispute as to the accuracy of an Other Project Accounting pursuant to Section 9 by delivering a Dispute Notice no later than ten (10) days after the expiry of the ninety (90) day audit period contemplated in Section 4.2(b). If BCTC fails to deliver a Dispute Notice within such period, it shall be deemed to have accepted such Other Project Accounting as accurate and may not thereafter initiate a Dispute in connection therewith other than in connection with fraud or willful misconduct of CMHLP.

(d) For purposes of Section 4.2(c), "**Underages Payment**" means an amount calculated in accordance with the following formula:

$$\frac{(95\% \times E) - \text{Other Project Costs}}{2}$$

where E equals:

(i) for the Mclymont Project, the budgeted Other Project Costs for the Mclymont Project as set out in the budget for the Mclymont Project attached hereto as Schedule E; and

(ii) for the Volcano Project, the budgeted Other Project Costs for the Volcano Project as set out in the detailed budget for the Volcano Project attached hereto as Schedule F.

(e) Within thirty (30) days of the last to occur of the following in respect of each Other Project:

(i) expiry of the ninety (90) day audit period contemplated in Section 4.1(b);

(ii) final resolution of all Disputes initiated within the ten (10) day periods contemplated in Section 4.1(d),

if the Underages Payment in respect of that Project is a positive number, CMHLP shall pay the Underages Payment to BCTC, plus applicable GST/HST.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

SECTION 5
CONDITIONS PRECEDENT

5.1 **BCTC's Conditions Precedent**. BCTC's obligations pursuant to Section 2.3 and Section 3 and Section 4 are subject to the following conditions being fulfilled, performed or waived by the specified date:

(a) by June 30, 2010:

(i) the Province of British Columbia and BCTC having made arrangements on terms and conditions satisfactory to BCTC, providing for funding of BCTC's costs of developing the 287kV System through to the Decision Date, other than any costs actually funded by the CMHLP Payments or the Federal Contribution;

(ii) approval of this Agreement by BCTC's Board of Directors; and

(iii) BCTC having received confirmation from BC Hydro that CMHLP and BC Hydro have entered into an electricity purchase agreement in connection with the FK Project (the "**EPA**") on terms and conditions satisfactory to BC Hydro;

(b) by the Decision Date, on terms and conditions satisfactory to BCTC:

(i) the Government of Canada and the Province of British Columbia having entered into a binding agreement pursuant to which the Government of Canada has agreed to make a financial contribution to the development of the 287kV System ("**Federal Contribution**");

(ii) BCTC having received an Environmental Assessment Certificate pursuant to the *Environmental Assessment Act*, SBC 2002, c. 43 for the 287kV System,

(iii) a decision has been made by responsible authorities, under section 20(1)(a) or 37(1)(a) of the *Canadian Environmental Assessment Act*, S.C. 1992, that the 287kV System is not likely to cause significant adverse environmental effects, or that, if the 287kV System is likely to cause significant adverse environmental effects, those effects can be justified in the circumstances;

(iv) BCTC having obtained a certificate of public convenience and necessity under sections 45 and 45 of the *Utilities Commission Act*, RSBC 1996, c. 473, as amended ("**UCA**") in respect of the 287kV System, or BCTC having been exempted from the requirement to obtain such a certificate, or the requirement to obtain such a certificate being eliminated;

(v) the Lieutenant Governor in Council having issued a direction pursuant to s. 3 of the UCA with respect to the regulation of the 287kV System, or the requirement for such a direction is eliminated; and

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

(vi) this Agreement together with the FK SGIA are determined as just, reasonable and lawful rates for the services provided by BCTC pursuant hereto, or BCTC has been exempted from the requirement to obtain such a determination, or the requirement for such a determination is eliminated;

(c) by the Decision Date, BCTC receiving confirmation from BC Hydro that on terms and conditions satisfactory to BC Hydro:

(i) the EPA has been accepted for filing under section 71 of the UCA, or BC Hydro has been exempted from the requirement to file the EPA, or the requirement to file the EPA is eliminated; and

(ii) the Lieutenant Governor in Council has issued a direction pursuant to s. 3 of the UCA with respect to the regulation of the EPA, or the requirement for such a direction is eliminated.

5.2 **Sole Benefit of BCTC**. CMHLP agrees that the conditions set out in Section 5.1 are for the sole benefit of BCTC, and that none of such conditions shall be waived except by written notice from BCTC or its solicitors to CMHLP or its solicitors.

5.3 **CMHLP Bound**. Notwithstanding that Section 5.1 may leave discretion in BCTC whether to perform pursuant to Section 2.3 and Section 3 and Section 4 CMHLP agrees, for $10 and other good and valuable consideration, that it shall be bound by this Agreement.

5.4 **CMHLP's Conditions Precedent**. CMHLP's obligations pursuant to Sections 2.1, 2.3 and Section 3 and Section 4 are subject to the following conditions being fulfilled, performed or waived by June 30, 2010:

(a) CMHLP and BC Hydro having entered into the EPA on terms and conditions satisfactory to CMHLP;

(b) approval of this Agreement by the Board of Directors of each of CMHLP's general partners; and

(c) CMHLP having entered into an Impact Benefits Agreement with the Tahltan First Nation in respect of the FK Project on terms and conditions satisfactory to CMHLP, and a letter of intent or similar arrangement to enter into Impact Benefits Agreements in respect of the Other Projects on similar terms and conditions.

5.5 **Sole Benefit of CMHLP**. BCTC agrees that the conditions set out in Section 5.4 are for the sole benefit of CMHLP, and that none of such conditions shall be waived except by written notice from CMHLP or its solicitors to BCTC or its solicitors.

5.6 **BCTC Bound**. Notwithstanding that CMHLP's conditions may leave discretion in CMHLP whether to perform pursuant to Sections 2.1, 2.3 and Section 3 and Section 4 BCTC agrees, for $10 and other good and valuable consideration, that BCTC shall be bound by this Agreement.

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

SECTION 6
FORCE MAJEURE

6.1 **Force Majeure**. A Party shall not be considered in Default to the extent it is prevented or delayed in performing one or more of its obligations hereunder by Force Majeure. A Party relying upon Force Majeure shall give prompt written notice to the other Party of any such Force Majeure and shall use all commercially reasonable efforts to mitigate the effect of the Force Majeure. Where a time or period of time is stipulated for the performance of any obligation and Force Majeure has been relied upon as delaying such performance, the time or period of time for such performance shall be extended by the length of time the Force Majeure operates to delay or prevent such performance.

SECTION 7
ABANDONMENT AND TERMINATION

7.1 **Termination for Failure to Satisfy Conditions Precedent**. This Agreement shall terminate, without liability or penalty attaching to any Party, if any of the conditions precedent set out in Section 5 are not fulfilled, performed or waived within the times specified.

7.2 **Termination for Legal Proceedings**. BCTC may terminate this Agreement on written notice to CMHLP delivered no later than a date to be agreed upon by the Parties if at the time such notice is given:

(a) an appeal or judicial review of, or any other legal action challenging any of, the decisions, instruments or other matters referred to in Section 5.1(b) or 5.1(c) or the decision by BC Hydro to enter into the EPA commenced within any applicable limitation or appeal period is pending, and BCTC determines in its sole and absolute discretion that such appeal, judicial review or other legal action may succeed;

(b) any such appeal or judicial review or legal action is so commenced, and the outcome of any such appeal or judicial review or legal action is that any of the decisions, instruments or other matters referred to in Section 5.1(b) or 5.1(c) or the decision by BC Hydro to enter into the EPA is reversed, quashed or otherwise no longer remains in force; or

(c) BCTC has determined, acting reasonably, that an appeal or judicial review or legal action challenging any of, the decisions, instruments or other matters referred to in Section 5.1(b) or 5.1(c) or the decision by BC Hydro to enter into the EPA is likely to be commenced, and if it were to be commenced BCTC has determined in its sole and absolute discretion that such appeal, judicial review or other legal action may succeed.

7.3 **Termination for Default**. If:

(a) BCTC is in Default then CMHLP may terminate this Agreement on notice to BCTC; or

ACCEPTED: FEB 17 2011
ORDER NO. 6 2011

COMMISSION SECRETARY

(b) CMHLP is in Default then BCTC may terminate this Agreement on notice to CMHLP,

provided, in each such case where the alleged Default is pursuant to Section 8.1(b), the termination notice must be given within ten (10) days after the expiry of the fourteen (14) day notice period contemplated by Section 8.1(b).

7.4 **Termination for Termination of EPA.**

(a) CMHLP may terminate this Agreement on notice to BCTC if the EPA is terminated for any reason other than:

(i) a Buyer Termination Event (as defined in the EPA); or

(ii) pursuant to Section 16.1(b) of the EPA, unless termination occurred because Force Majeure Days (as defined in the EPA) exceeded the applicable limit established by that provision,

provided the termination notice must be given within ten (10) days after the termination of the EPA.

(b) BCTC may terminate this Agreement on notice to CMHLP if the EPA is terminated pursuant to Section 16.1(b) of the EPA, unless termination occurred because Force Majeure Days (as defined in the EPA) exceeded the applicable limit established by that provision, provided the termination notice must be given within ten (10) days after the termination of the EPA.

7.5 **Effect of Termination and Survival.** From and after the termination of this Agreement for any reason, no Party shall have any further obligations to or rights against the other Party in respect of this Agreement, except as follows:

(a) if:

(i) this Agreement terminates pursuant to Section 7.1;

(ii) BCTC terminates this Agreement pursuant to Section 7.2;

(iii) CMHLP terminates this Agreement pursuant to Section 7.3; or

(iv) CMHLP terminates this Agreement pursuant to Section 7.4(a) because the EPA has terminated:

(A) because of a Seller Termination Event (as defined in the EPA); or

(B) because the duration of Force Majeure (as defined in the EPA) resulting from a delay in the 287kV System ISD exceeded the applicable limit established by 16.1(b), 16.1(c) or 16.2(b) of the EPA, provided however for certainty, any delays resulting from impacts described in 3.5(ii) or suspension of performance pursuant to Section 8.3(a)(iv) shall not form part of the period of Force

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

Majeure (as defined in the EPA) resulting from a delay in the 287kV System ISD for purposes of this paragraph (B);

then:

(v) where CMHLP terminates this Agreement pursuant to Section 7.4(a) because of the termination of the EPA for a Seller Termination Event (as defined in the EPA) after COD (as defined in the EPA), BCTC shall be entitled to keep all CMHLP Payments paid by CMHLP and CMHLP shall be relieved of its obligations hereunder in respect of the remaining unpaid balance of the CMHLP Payments, and BCTC shall return, release and discharge all Security; and

(vi) in all other circumstances described in (a)(i) to (iv), BCTC shall reimburse CMHLP for all CMHLP Payments paid by CMHLP to BCTC, CMHLP shall be relieved of its obligations hereunder in respect of the remaining unpaid balance of the CMHLP Payments, and BCTC shall return, release and discharge all Security; and

(vii) at BCTC's request, CMHLP will work together with BCTC and consider in good faith the purchase by CMHLP of all materials, equipment and other facilities procured or developed by BCTC in connection with the 287kV System that are reasonably useful to CMHLP in connection with the FK-Mez System on terms and conditions acceptable to BCTC and to CMHLP, acting reasonably;

(b) if BCTC terminates this Agreement pursuant to Section 7.3 from and after FK Project ISD, BCTC shall continue to have, in addition to any other rights or remedies it may have under this Agreement and applicable laws, its rights and remedies pursuant to Section 8.3(a);

(c) if CMHLP terminates this Agreement pursuant to Section 7.4(a) for any reason other than those described in 7.5(a)(iv) then BCTC shall be entitled to keep all CMHLP Payments paid by CMHLP to the extent spent or committed, but in respect of amounts committed, only to the extent such amounts may not be reduced by cancellation, forfeiture of deposits, or other reasonable commercial mitigation opportunities, and BCTC shall return the balance of all CMHLP Payments paid by CMHLP and CMHLP shall be relieved of its obligations hereunder in respect of the remaining unpaid balance of the CMHLP Payments, and BCTC shall return, release and discharge all Security; and

(d) if BCTC terminates this Agreement pursuant to Section 7.3 at any time before the FK Project ISD or pursuant to Section 7.4(b), a portion of the CMHLP Payments equal to $120 million less those CMHLP Payments already paid by CMHLP and received by BCTC shall immediately become due and payable by CMHLP to BCTC, and BCTC shall be entitled to:

(i) keep all CMHLP Payments paid by CMHLP and received by BCTC;

(ii) draw down the Security, and apply the proceeds thereof against:

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

(A) any amounts payable by CMHLP, including without limitation any amounts payable by CMHLP pursuant to this Section 7.5(d); and

(B) the costs of developing, constructing and operating the 287kV System, including without limitation any deconstruction and related costs in the event BCTC elects to deconstruct any or all of the 287kV System.

For certainty, on termination of this Agreement, the agreement contained herein to modify the Point of Interconnection and configuration of the FK Project IR to specify a Point of Interconnection for the FK Project at the Bob Quinn Substation on the 287kV System pursuant to Section 2.3 terminates, and the Point of Interconnection of the FK Project IR shall revert to Meziadin Junction and remain subject to the SGIP without modification in any way by this Agreement. If the 287kV System is subsequently developed, any Interconnection Request for the FK Project or any of the Other Projects, whether or not specifying a Point of Interconnection at any point on the 287kV System, shall be subject to the SGIP and all applicable rates for Interconnection Service pursuant thereto, provided however, where BCTC terminated this Agreement pursuant to Section 7.3 or 7.4(b), or CMHLP terminated this Agreement pursuant to Section 7.4(a) for any reason other than those described in 7.5(a)(iv), and any such Interconnection Request specifies a Point of Interconnection at any point on the 287kV System, CMHLP's rate for Interconnection Service for the FK Project or Other Project(s) which are the subject of such Interconnection Request shall be modified to be the greater of: (i) the sum of all CMHLP Payments not received by BCTC pursuant to this Agreement either because of the termination of this Agreement or because CMHLP was relieved from its obligations to make such CMHLP Payments; and (ii) all applicable rates for Interconnection Service, less a credit equivalent to those CMHLP Payments received and retained by BCTC pursuant to this Agreement. This Section 7.5 sets out the Parties' sole and exclusive remedies against the others in the event of a termination of this Agreement. This Section 7.5 shall survive the termination of this Agreement.

SECTION 8
DEFAULT / REMEDIES

8.1 **Default**. A Party is in default (a "**Default**") if:

(a) it fails to pay any amount due under this Agreement in full within 5 days after a non-defaulting Party has in writing demanded that such failure be cured;

(b) it fails to observe, perform or carry out any of its material obligations hereunder (except those covered by paragraph (a) above) and such failure continues for 14 days after a non-defaulting Party has in writing demanded that such failure be cured;

(c) it is declared bankrupt, or a receiver or receiver-manager is appointed for the whole or any part of its assets, or makes an assignment for the benefit of creditors generally;

ACCEPTED: FEB 17 2011

ORDER NO. G 20

COMMISSION SECRETARY

(d) it institutes or there is instituted against it any formal or informal proceeding for its dissolution or liquidation, settlement of claims against it, or winding-up of its affairs;

(e) it is CMHLP, and BCTC receives notice, as provided for in the special condition contained in the form of letter of credit attached hereto as Schedule A, that any letter of credit posted as part of the Security will expire, and BCTC does not receive a replacement letter of credit that complies with CMHLP's obligations under this Agreement on or before the date that is fifteen (15) days before the date of expiry of the original letter of credit; or

(f) it is CMHLP, and the EPA is terminated by BC Hydro for a Buyer Termination Event (as defined in the EPA).

8.2 **Effect of Default**. Without limitation, in the event CMHLP is in Default:

(a) prior to COD (as defined in the EPA), a portion of the CMHLP Payments equal to $120 million less those CMHLP Payments already paid by CMHLP and received by BCTC shall immediately become due and payable by CMHLP to BCTC;

(b) after COD (as defined in the EPA), the present value of the balance of all CMHLP Payments not yet paid by CMHLP as of the date of the Default, as calculated by BCTC using a discount rate of 8%, shall become due and payable by CMHLP to BCTC no later than thirty (30) days after the Default. BCTC shall provide notice of such amount to CMHLP no later than ten (10) days after it learns of the Default; and

(c) as contemplated by Section 8.1(e), a portion of the CMHLP Payments equal to the then current amount of the Security shall immediately become due and payable by CMHLP to BCTC.

8.3 **Remedies**.

(a) In the event CMHLP is in Default, BCTC may exercise any or all of the following rights and remedies, which shall be cumulative and without prejudice to any other rights that BCTC may have under this Agreement or applicable laws:

(i) apply to a court of competent jurisdiction for any relief by way of restraining order, mandatory or other injunctions, specific performance, decree, or otherwise that may be appropriate to ensure strict compliance with the provisions of this Agreement;

(ii) keep all CMHLP Payments paid by CMHLP and received by BCTC;

(iii) draw down the Security, and apply the proceeds thereof against:

(A) any amounts payable by CMHLP, including without limitation any amounts payable by CMHLP pursuant to Sections 8.2(a) and 8.2(c);

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

(B) the costs of developing, constructing and operating the 287kV System, including without limitation any deconstruction and related costs in the event BCTC elects to deconstruct any or all of the 287kV System; and

(C) any other liability, loss, cost, action, claim or expense suffered or incurred by BCTC to the extent related to CMHLP's Default; and

(iv) for so long as such Default subsists, BCTC may, on written notice to CMHLP, suspend the performance of any or all of its obligations under this Agreement, and on resumption BCTC may, acting reasonably, extend the 287kV System Target ISD to take into account such suspension on written notice to CMHLP,

provided however, that notwithstanding any other provision hereof, CMHLP's liability to BCTC pursuant to this Agreement for any Default prior to COD (as defined in the EPA) shall not exceed the amount of the Security at the time of the Default.

(b) In the event BCTC is in Default, CMHLP's sole and exclusive remedy as against BCTC shall be termination of this Agreement and exercise of their remedies, in each case only as provided for in Section 7. For greater certainty, CMHLP shall not be entitled to seek or recover any damages, whether at law or in equity, in connection with any such Default, circumstances permitting CMHLP to terminate this Agreement or any resulting termination of this Agreement by CMHLP.

8.4 **Consequential Damages**. Notwithstanding any other provision of this Agreement, in no event whatsoever will any Party be liable to any other Party for indirect, consequential, exemplary, incidental, special or other similar damages including but not limited to lost profits, lost business revenue or other commercial or economic loss of any kind.

SECTION 9
DISPUTE RESOLUTION

9.1 **Dispute**. All disputes arising out of or in connection with this Agreement (a "**Dispute**") shall be dealt with in accordance with this Section 9.

9.2 **Meeting To Negotiate Resolution**. A Party may at any time deliver written notice specifying in reasonable detail the nature of a Dispute (a "**Dispute Notice**") to the other Parties, in which case representatives of all Parties with decision making authority shall meet to attempt to negotiate a resolution to the Dispute (a "**Negotiation Meeting**") within 14 days of delivery of the Dispute Notice.

9.3 **Mediation**.

(a) If a Dispute is not resolved at a Negotiation Meeting, or the Parties fail to have a Negotiation Meeting within the 14 day period provided for in Section 9.2, a Party may deliver written notice (a "**Mediation Notice**") to the other Parties requiring

the Dispute go to mediation, in which case the Parties shall appoint a mutually acceptable mediator within 14 days of delivery of the Mediation Notice.

(b) The Parties shall participate in good faith in the mediation and related negotiations for a period of at least 30 days (the "**Mediation Period**").

(c) The Parties will bear their own mediation costs.

9.4 **Inadmissibility of Negotiations and Discussions**. All negotiations conducted pursuant to Section 9.2 and mediated discussions conducted pursuant Section 9.3 shall be treated as compromise and settlement negotiations between the Parties and shall not be subject to disclosure through discovery or any other process and shall not be admissible as evidence in any proceeding.

9.5 **Arbitration**. If a Dispute is not resolved during a Mediation Period, or the Parties fail to appoint a mediator within the 14 day period provided for in Section 9.3(a), any Party may refer the Dispute for final resolution to arbitration administered by the British Columbia International Commercial Arbitration Centre pursuant to its Rules for Domestic Commercial Arbitration Proceedings. The number of arbitrators shall be three. The place of arbitration shall be Vancouver, British Columbia, Canada. The language used shall be English.

9.6 **Adjudication in Law and Equity**. The arbitrators must adjudicate the dispute, and may grant remedies, in both law and equity; provided that the arbitrators shall not grant remedies that are inconsistent with the provisions of this Agreement. For greater certainty, where pursuant to Section 8.3(b) the exclusive remedy for a Default or other circumstance described therein is termination of this Agreement, the arbitrators may not award any other remedy.

9.7 **Shared Costs**. Each Party shall bear its own costs of legal representation and presentation of its case in respect of any arbitration. The other costs of the arbitration, including the fees and expenses of the arbitrators and administrative fees and charges, shall be shared equally by the Parties.

SECTION 10
PROJECT COMMUNICATION

10.1 **Working Group**. Each of the Parties shall designate an individual as its representative, and a second individual as its substitute representative, to a working group (the "**NTL Working Group**"). Each of the Parties shall advise the other Parties in writing of its representative and substitute representative.

10.2 **Working Group Meetings**. Until the 287kV Project ISD, the Working Group shall meet in person or by telephone conference call at least monthly, or as the Parties may otherwise agree. Each Party shall ensure that its Working Group representative or substitute representative attends each such meeting.

10.3 **Working Group Mandate**. The purpose of the Working Group is to establish dialogue among the Parties to facilitate the development of the 287kV System and to keep all Parties advised of material events, including without limitation: permitting; regulatory applications and approvals; construction scheduling of the 287kV System, the FK Project and the

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11
COMMISSION SECRETARY

Other Projects; changes to the FK Project Target ISD; changes to the 287kV System Target ISD; and First Nation and stakeholder consultations.

10.4 **Exchange of Information**. Each Party shall make available to another Party any and all information reasonably requested by that other Party in connection with the matters set out in Section 10.3.

10.5 **Press Releases and Other Public Statements**. Until such time as BCTC has announced the 287kV System project publicly, and the contents and nature of this Agreement is made public, no Party shall disclose any information in respect of the project or this Agreement publicly without the prior written consent of the others. Once such announcement has been made and the contents and nature of this Agreement is made public, no Party shall issue any press release or make or release any other similar kind of public statement in connection with this Agreement or the 287kV System without first providing the other Parties with an advanced copy of such press release or statement at least twenty-four (24) hours in advance.

10.6 **Restrictions on Disclosure**. Notwithstanding anything else contained in this Section 10, no Party shall be required to disclose or share with any other Party any information the disclosure of which would constitute a breach by the disclosing Party of applicable laws or regulatory requirements, including without limitation BCTC's standards of conduct.

SECTION 11
GENERAL

11.1 **Notice**. Any communication or notice required or desired to be given pursuant to this Agreement shall be in writing and actually delivered (including by facsimile) to the other Party addressed as follows:

If to BCTC:
Suite 1100, Four Bentall Centre
1055 Dunsmuir Street
Vancouver, BC V7X 1V5
Attention: Vice President, Customer and Strategy Development
Fax Number: 604 699 7539

If to CMHLP:

Oceanic Plaza,
P.O. Box 12510
2500 - 1066 West Hastings Street
Vancouver, BC V6E 3X1
Attention: Regional Vice President Renewable Energy - Hydro
Fax Number: 604 623 4751

With a copy to:

AltaGas Ltd.
1700, 355 - 4th Avenue SW
Calgary, AB T2P 0J1

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Attention: Vice President Legal
Fax Number: 403 691 7508

or at such other address as such Party may from time to time designate by notice delivered in accordance with this Section 11.1. Any notice shall be deemed to have been given on the day delivered, if delivered by hand. If faxed, notice will be deemed to have been given and received on the Business Day following the date of successful faxing.

11.2 **Taxes**. All monetary amounts referred to herein exclude applicable taxes.

11.3 **Enurement**. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns.

11.4 **Time of the Essence**. Time is expressly declared to be of the essence of this Agreement.

11.5 **Waiver**. Any waiver by a Party must be made in writing and shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or in any way otherwise affect the rights or remedies of such Party.

11.6 **Further Assurances**. The Parties agree to use all reasonable efforts to execute and deliver all such other and additional instruments or documents and to do all such other acts and things as may be necessary to give full effect to this Agreement.

11.7 **Assignment**. No Party shall have any right to transfer or otherwise assign this Agreement or any rights, powers, duties or obligations hereunder to any other Person without the prior written consent of the other Parties hereto, which is not to be unreasonably withheld. Without limiting the generality of the foregoing: (i) for so long as the EPA remains in effect, CMHLP shall not transfer or otherwise assign this Agreement or any rights, powers, duties or obligations hereunder to any other Person unless it concurrently transfers and assigns all of its rights, powers, duties and obligations under the EPA to such other Person in accordance with the requirements for an assignment specified in the EPA; (ii) CMHLP shall not transfer or otherwise dispose of any interest in the FK Project or the Other Projects, unless the transferee first enters into a written agreement with BCTC, acting reasonably, pursuant to which the transferee assumes CMHLP's obligations in connection with the FK Project or the Other Projects or both, as applicable, hereunder.

11.8 **No Partnership**. The Parties acknowledge and agree that this Agreement does not create a partnership or joint venture relationship between or among them. No Party has any authority or capacity whatsoever to contract for or on behalf of or bind any other Party in respect of any matter related to this Agreement or otherwise.

11.9 **Counterparts**. This Agreement may be executed in one or more counterparts or by facsimile transmission and if so executed such counterparts or facsimile transmissions shall be read and construed together as if they formed one document.

ACCEPTED: FEB 17 2011

ORDER NO. 6 2011

COMMISSION SECRETARY

IN WITNESS WHEREOF the Parties have executed this Agreement on the date first above written.

BRITISH COLUMBIA TRANSMISSION CORPORATION

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

COAST MOUNTAIN HYDRO LIMITED PARTNERSHIP, by its General Partners:
COAST MOUNTAIN HYDRO CORP. and **ALTAGAS RENEWABLE ENERGY INC.**

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

ACCEPTED: FEB 17 2011

ORDER NO. _____

_____
COMMISSION SECRETARY

SCHEDULE A

FORM OF LETTER OF CREDIT

[INSERT BANK NAME AND ADDRESS] ISSUE DATE: **[ENTER DATE]**
EXPIRATION DATE: **[ENTER DATE]**

BRITISH COLUMBIA TRANSMISSION CORPORATION
[ADDRESS]
VANCOUVER, BC CANADA [POSTAL CODE]
ATTN:
FAX:

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: _____ ("LETTER OF CREDIT") IN FAVOUR OF:

BRITISH COLUMBIA TRANSMISSION CORPORATION ("BCTC")

[ADDRESS]
VANCOUVER, BC CANADA [POSTAL CODE]

AT THE REQUEST OF AND FOR THE ACCOUNT OF:

"CUSTOMER ACCOUNT NAME" (THE "CUSTOMER")
"ADDRESS"

FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE $---------- (_____ THOUSAND DOLLARS AND _____ CENTS). WE HEREBY UNCONDITIONALLY AND IRREVOCABLY UNDERTAKE AND BIND OURSELVES AND OUR SUCCESSORS AND ASSIGNS TO PAY BCTC IMMEDIATELY, THE SUM, WHICH BCTC MAY CLAIM UPON PRESENTATION OF THE FOLLOWING DOCUMENTS:

(a) A STATEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BCTC CERTIFYING THAT IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE CONTRACT(S) AND/OR TARIFFS BETWEEN BCTC AND THE CUSTOMER BCTC IS ENTITLED TO PAYMENT IN AN AMOUNT EQUAL TO $_____ AND SUCH AMOUNT REMAINS UNPAID AT THE TIME OF DRAWING; OR

(b) IN THE EVENT THIS LETTER IS NOT RENEWED IN ACCORDANCE WITH SPECIAL CONDITION 1 BELOW, A STATEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BCTC CERTIFYING THAT THE CUSTOMER HAS FAILED TO OBTAIN A RENEWAL OF THIS LETTER OF CREDIT IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE CONTRACT(S) AND/OR TARIFFS BETWEEN BCTC AND THE CUSTOMER; AND

(c) THE ORIGINAL OF THIS LETTER OF CREDIT, INCLUDING ANY AMENDMENTS.

SPECIAL CONDITIONS:

1. THIS LETTER OF CREDIT TAKES EFFECT FROM THE DATE OF ISSUE SET FORTH ABOVE AND SHALL REMAIN VALID UNTIL THE EXPIRATION DATE SET FORTH ABOVE. IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED FOR AN ADDITIONAL PERIOD OF ONE (1) YEAR FROM THE CURRENT EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO SUCH EXPIRATION DATE, WE NOTIFY YOU IN WRITING THAT WE ELECT NOT TO EXTEND THIS LETTER OF

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

CREDIT FOR SUCH ADDITIONAL PERIOD. THE NOTIFICATION SHALL BE SENT VIA OVERNIGHT COURIER TO YOUR ADDRESS LISTED ABOVE.

PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED. THE AMOUNT OF THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY DRAWINGS MADE HEREUNDER.

DOCUMENTS MUST BE PRESENTED AT OUR OFFICES LOCATED AT [ENTER VANCOUVER ADDRESS ONLY] NOT LATER THAN THE EXPIRATION DATES, AND DURING THE ONE-YEAR RENEWAL TERM IF SUCH RENEWAL HAS BEEN MADE.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS 2007 REVISION, INTERNATIONAL CHAMBER OF COMMERCE, PARIS, FRANCE, PUBLICATION 600. ALL MATTERS NOT COVERED BY UCP 600, REVISION 2007 WILL BE GOVERNED BY THE LAWS APPLICABLE IN THE PROVINCE OF BRITISH COLUMBIA. NOTWITHSTANDING ARTICLE 36 OF SAID PUBLICATION, IF THIS STANDBY CREDIT EXPIRES DURING AN INTERRUPTION OF BUSINESS AS DESCRIBED IN ARTICLE 36, WE AGREE TO EFFECT PAYMENT IF THE STANDBY CREDIT IS DRAWN WITHIN 15 DAYS AFTER RESUMPTION OF BUSINESS.

SIGNED:

Authorized Signatory

Authorized Signatory

DM_VAN/260254-00062/7464212.34

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

SCHEDULE B

CMHLP PAYMENTS AND SECURITY

Payments

1. CMHLP shall make a series of four (4) payments in amounts and on the dates as provided in the following table, plus applicable GST/HST:

Date	Payment (in $ millions)	Letter of Credit (in $ millions)
On the Decision Date	2.7	0
Within 10 days of the Security Date		117.3
On July 1, 2011	18.0	99.3
On July 1, 2012	40.50	58.8
On July 1, 2013	28.80	30
Subject to further reduction for payments made under paragraph 2 as contemplated by paragraph 4(iii) of this Schedule B, thereafter until FK Project ISD		30
Thereafter	0.000	0
Total	90	n/a

If BCTC provides notice of Force Majeure pursuant to Section 6.1 before any or all of the payments due July 1st of 2011, 2012 and 2013 are due, and so often as it provides such a notice, the payment dates for those payments whose due dates fall after the notice of Force Majeure is given may be delayed by CMHLP by the same number of days during which BCTC relies on the Force Majeure to extend the performance of its obligations hereunder.

2. CMHLP shall make a series of 20 annual payments beginning no later than fourteen (14) days following 287kV System ISD, the first of which shall be in the amount of $4,900,000, and annually thereafter no later than the anniversary of 287kV System ISD in the amount of $9,800,000, in every case adjusted for inflation as follows, plus applicable GST/HST:

Payment in Year N = $PP * CPI (1 January Year N) / CPI (1 January 2009),

where "PP" means the amount of the payment being $4,900,000 for the first such payment, and $9,800,000 for the following nineteen payments, "CPI" means the Consumer Price Index for Canada, All Items (Not Seasonally Adjusted) as published by Statistics Canada, adjusted or replaced in accordance with Section 3 of this Schedule B. The payments are to assist with the costs to be incurred by BCTC in connection with BCTC's operation of the 287kV System and the provision by BCTC of Interconnection Service to CMHLP at Bob Quinn Substation in connection with the FK Project and the output of the Other Projects for the twelve (12) months following the 287kV System ISD with respect to the first payment and the twelve (12) months following the payment due date for all other payments.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

3. If Statistics Canada (or the then recognized statistical branch of the Canadian Government):

   (i) computes, at any time after 1 January 2010, the CPI on a basis different to that employed at the date of execution of this Agreement, then the CPI will be converted using the appropriate formula recommended by Statistics Canada (or the then recognized statistical branch of the Canadian Government);

   (ii) at any time ceases to publish or provide the CPI, then there will be substituted an available replacement index that most nearly, of those then publicly available, approximates the intent and purpose of the index that has so ceased or changed. This Agreement shall be amended as necessary to accommodate such index, all as determined by written agreement between the Parties, or failing agreement, by dispute resolution pursuant to Section 9;

   (iii) has not published the CPI for a relevant period at the time CMHLP is required to make a payment to BCTC, CMHLP shall make such payment based on the CPI in effect at the time the payment is made and when the CPI for the relevant period is published, CMHLP shall recalculate the payment amounts in the next succeeding payment and shall include a credit or debit, without interest, in the next succeeding payment based on the results of the recalculation; and

   (iv) recalculates the CPI within 36 months after a payment affected by that CPI calculation has been made, then CMHLP shall recalculate the payment amounts for the relevant period in the next succeeding payment and shall include a credit or debit, without interest, in the next succeeding payment based on the results of the recalculation.

Security

4.

   (i) On or before the later of the Decision Date and ten days after the Security Date, CMHLP shall deliver to BCTC a letter of credit in the amount of $117.3 million.

   (ii) After each payment made pursuant to paragraph 1 of this Schedule B, the letter of credit may be replaced by a letter of credit reduced by an equal amount (excluding GST/HST).

   (iii) After each payment made pursuant to paragraph 2 of this Schedule B, the letter of credit may be replaced by a letter of credit reduced by an equal amount (excluding GST/HST).

   (iv) BCTC shall return the letter of credit to CMHLP on the FK Project ISD.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

SCHEDULE C

FK PROJECT BUDGET

Forest Kerr Budget

Note: 1) Does not include CMHLP Payments.
2) Does not include the sunk costs already expended (e.g. purchase of the site, permitting to date)

	Totals ($Million)
Engineering	[redacted]
Site Prep and Earthworks	
Camp Facilities	
Underground Excavations	
Batch & Deliver Concrete and Shotcrete	
Civil Work and BOP	
Turbine & Generator Equipment	
Substation Electrical	
Transmission (Plant - POI)	
Construction Support Services	
Construction Management	
Permits & Fees	
Contingency	
Total	597.00

DM_VAN/260254-00062/7464222.34

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

SCHEDULE D

287KV SYSTEM BUDGET

NTL Total Project Cost Breakdown - $404M total							
Calendar Year	2009	2010	2011	2012	2013	2014	Total Cost
Definition Stage Work							13,502.0
Transmission SKA-AYH							44,716.0
Transmission AYH-MEZ							55,914.0
Transmission MEZ-BQN							68,866.3
Stations							54,526.2
Telecommunications							15,925.0
Other							25,004.1
Total Direct w/o Contingency							298,453.6
Contingency (20%)							59,686.7
Total Direct w/ Contingency							358,144.3
CH (corporate overhead) (2.47%)							8,846.2
IDC (Interest during construction)							36,959.2
Total Project Cost							403,949.7

DM_VAN/260254-00062/7464222.34

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11

COMMISSION SECRETARY

SCHEDULE E

MCLYMONT PROJECT BUDGET

McLymont Budget

Note: 1) Does not include the CMHLP Payments
2) Does not include the sunk costs already expended (e.g. purchase of the site, permitting to date)

	Totals ($Million)
Engineering	[redacted]
Site Prep and Earthworks	
Camp Facilities	
Underground Excavations	
Batch & Deliver Concrete and Shotcrete	
Civil Work and BOP	
Turbine & Generator Equipment	
Substation Electrical	
Transmission (Plant - POI)	
Construction Support Services	
Construction Management	
Permits & Fees	
Contingency	
Total	217.00

DM_VAN/260254-00062/7464222.34

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

SCHEDULE F

VOLCANO PROJECT BUDGET

Volcano Budget

Note: 1) Does not includeCMHLP Payments.
2) Does not include the sunk costs already expended (e.g. purchase of the site, permitting to date)

	Totals ($Million)
Engineering	
Site Prep and Earthworks	
Batch & Deliver Concrete and Shotcrete	
Civil Work and BOP	
Turbine & Generator Equipment	
Substation Electrical	
Transmission (Plant - POI)	
Construction Management	
Permits & Fees	
Contingency	
Total	43.00



DM_VAN/260254-00062/7464222.34

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

SCHEDULE G

FK PROJECT SGIA

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

Standard Generator Interconnection Agreement (SGIA)

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

Table of Contents

Article 1. Definitions 8

Article 2. Effective Date, Term and Termination 17
2.1 Effective Date 17
2.2 Term of Agreement 17
2.3 Termination Procedures 18
2.4 Termination Costs 18
2.5 Disconnection 20
2.6 Survival 20

Article 3. Regulatory Filings 20
3.1 Filing 20

Article 4. Scope Of Service 21
4.1 Interconnection Product Options 21
4.2 Provision of Service 24
4.3 Performance Standards 25
4.4 No Transmission Service 25
4.5 Interconnection Customer Provided Services 25

Article 5. Interconnection Facilities Engineering, Procurements and Construction 26
5.1 Construction Timing 26
5.2 General Conditions Applicable to Option to Build 27
5.3 Reserved 29
5.4 Power System Stabilizers 29
5.5 Equipment Procurement 30
5.6 Construction Commencement 30
5.7 Work Progress 31
5.8 Information Exchange 31
5.9 Limited Operation 31
5.10 Interconnection Customer's Interconnection Facilities (ICIF) 32
5.11 Transmission Provider's Interconnection Facilities Construction 33
5.12 Access Rights 34
5.13 Lands of Other Property Owners 34
5.14 Permits 35
5.15 Early Construction of Base Case Facilities 35
5.16 Suspension 35
5.17 Tax Indemnity 36
5.18 Tax Status 37
5.19 Modification 37

ACCEPTED: FEB 17 2011
G 20 11
ORDER NO.

COMMISSION SECRETARY

Article 6. Reserved 39

Article 7. Reserved 39

Article 8. Communications 39
8.1 Reserved 39
8.2 Reserved 39
8.3 No Annexation 39

Article 9. Operations 39
9.1 General 39
9.2 Reserved 39
9.3 Transmission Provider Obligations 39
9.4 Interconnection Customer Obligations 40
9.5 Start-Up and Synchronization 40
9.6 Reserved 41
9.7 Outages and Interruptions 41
9.8 Switching and Tagging Rules 43
9.9 Use of Interconnection Facilities by Third Parties 44
9.10 Disturbance Analysis Data Exchange 45

Article 10. Maintenance 45
10.1 Transmission Provider Obligations 45
10.2 Interconnection Customer Obligations 45
10.3 Coordination 45
10.4 Secondary Systems 45
10.5 Operating and Maintenance Expenses 46

Article 11. Performance Obligation 46
11.1 Interconnection Customer Interconnection Facilities 46
11.2 Transmission Provider's Interconnection Facilities 46
11.3 Network Upgrades 47
11.4 Credits and Repayments 47
11.5 Provision of Security 48
11.6 Interconnection Customer Compensation 49

Article 12. Invoice 50
12.1 General 50
12.2 Final Invoice 50
12.3 Payment, Invoices 50
12.4 Disputes 51

Article 13. Emergencies 51
13.1 Definition 51

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

13.2 Obligations 52
13.3 Notice 52
13.4 Immediate Action 52
13.5 Transmission Provider Authority 53
13.6 Interconnection Customer Authority 54
13.7 Limited Liability 55

Article 14. Regulatory Requirements and Governing Law 55
14.1 Regulatory Requirements 55
14.2 Governing Law 55

Article 15. Notices 56
15.1 General 56
15.2 Billings and Payments 56
15.3 Alternative Forms of Notice 56
15.4 Operations and Maintenance Notice 56

Article 16. Force Majeure 57
16.1 Force Majeure 57

Article 17. Default 57
17.1 Default 57

Article 18. Indemnity, Consequential Damages and Insurance 58
18.1 Indemnity 58
18.2 Consequential Damages 60
18.3 Insurance 60
18.4 Indemnity in Favour of Transmission Owner 63

Article 19. Assignment 63
19.1 Assignment 63

Article 20. Severability 64
20.1 Severability 64

Article 21. Comparability 64
21.1 Comparability 64

Article 22. Confidentiality 64
22.1 Confidentiality 64

Article 23. Environmental Releases 69
23.1 Notice of Release 69

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

Article 24. Information Requirements 70
24.1 Information Acquisition 70
24.2 Information Submission by Transmission Provider 70
24.3 Updated Information Submission by Interconnection Customer 70
24.4 Information Supplementation 71

Article 25. Information Access And Audit Rights 72
25.1 Information Access 72
25.2 Reporting of Non-Force Majeure Events 73
25.3 Audit Rights 73
25.4 Audit Rights Periods 74
25.5 Audit Results 74

Article 26. Subcontractors 74
26.1 General 74
26.2 Responsibility of Principal 75
26.3 No Limitation by Insurance 75

Article 27. Disputes 75

Article 28. Representations, Warranties and Covenants 75
28.1 General 75

Article 29. Joint Operating Committee 77
29.1 Joint Operating Committee 77

Article 30. Miscellaneous 78
30.1 Binding Effect 78
30.2 Conflicts 78
30.3 Rules of Interpretation 78
30.4 Entire Agreement 79
30.5 No Third Party Beneficiaries 80
30.6 Waiver 80
30.7 Headings 80
30.8 Multiple Counterparts 80
30.9 Amendment 81
30.10 Modification by the Parties 81
30.11 Reservation of Rights 81
30.12 No Partnership 81

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

List of Appendices

Appendix A. Interconnection Facilities and Network Upgrades

Appendix B. Milestones

Appendix C. Interconnection Details

Appendix D. Commercial Operation Date

Appendix E. Addresses for Delivery of Notices and Billings

Appendix F. WECC RMS Agreement

Appendix G. Dispute Resolution Procedure

Appendix H. Transmission Owner Indemnity

DM_VAN/260254-00062/7573085.5

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

THIS STANDARD GENERATOR INTERCONNECTION AGREEMENT (Agreement) is made and entered into this _____ day of _____, 20____ by and between _____, a _____ organized and existing under the laws of the Province of _____ (Interconnection Customer), and BRITISH COLUMBIA TRANSMISSION CORPORATION, a British Columbia Crown corporation organized and existing under the laws of the Province of British Columbia (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Transmission Provider operates the Transmission System; and

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

WHEREAS, Interconnection Customer and Transmission Provider have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System;

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

When used in this Standard 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 or the Tariff.

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11

COMMISSION SECRETARY

Article 1. Definitions

Affected System shall mean an electric system other than the Transmission Provider's Transmission System 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.

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

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

Applicable Reliability Council shall mean the reliability council(s) applicable to the Transmission System.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, WECC, the Applicable Reliability Council, and the Control Area of the Transmission System.

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

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Breaching Party shall mean a Party that is in Breach.

Business Day shall mean Monday through Friday, excluding Holidays.

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

Combined Study Agreement shall mean the Combined Study Agreement dated [redacted] between Interconnection Customer and Transmission Provider in respect of the Generating Facility.

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 confirmed by Interconnection Customer pursuant to Appendix D to this Standard Generator Interconnection Agreement.

Commission means the British Columbia Utilities Commission, or its successor.

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.

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

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

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11

COMMISSION SECRETARY

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties as set out in Appendix G to the SGIA.

Effective Date shall mean, subject to Article 18.4, the date on which this Standard Generator Interconnection Agreement becomes 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.

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

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

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

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

Force Majeure shall mean any act of God, labour disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, 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 Appendix C, but shall not include the Interconnection Customer's Interconnection Facilities.

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

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

Governmental Authority shall mean any federal, provincial, 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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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 Interconnection Customer, Transmission Provider, 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.

Holiday shall mean a statutory holiday in British Columbia.

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 Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in Appendix A of this Standard 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 Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

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

Interconnection Facilities Study shall mean the Interconnection Facilities Study dated [redacted] in respect of the Generating Facility.

Interconnection Feasibility Study shall mean the Interconnection Feasibility Study dated [redacted] in respect of the Generating Facility.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Standard Generator Interconnection Procedures, in accordance with the Tariff, in respect of the Generating Facility.

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

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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

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

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

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

Network Customer shall have the meaning provided in the Tariff.

Network Resource shall have the meaning provided in the Tariff.

Network Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission Provider's Transmission System in the same manner as Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

Network Upgrades shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the Point of

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Interconnection to accommodate the interconnection of the Generating Facility to the Transmission Provider's Transmission System.

Operating Orders means those operating instructions, protocols and procedures developed by the Joint Operating Committee pursuant to Article 29.1.6.

Party shall mean Transmission Provider or Interconnection Customer, and **Parties** shall mean both of them.

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

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

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

Reliability Management System (RMS) Provisions shall mean the provisions contained in Appendix F to the SGIA as prescribed by the Transmission Provider's Reliability Management System Agreement with WECC.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Upgrades and identify them in Appendix A to this Standard Generator Interconnection Agreement.

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

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

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

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

Technical Interconnection Requirements means the "69 kV to 500 kV Interconnection Requirements for Power Generators" British Columbia Transmission Corporation, May 2004, as amended from time to time.

Transmission Owner shall mean the British Columbia Hydro and Power Authority.

Transmission Provider's Interconnection Facilities (TPIF) shall mean all facilities and equipment owned, controlled or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Appendix A to this Standard Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Provider's Interconnection Facilities are sole use facilities and shall not include Stand Alone Network Upgrades or Network Upgrades.

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

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

Umbrella Agreement shall mean the AltaGas Northwest Projects Umbrella Agreement entered into between the Transmission Provider and the Interconnection Customer dated April [redacted], 2010.

WECC shall mean Western Electricity Coordinating Council, or any successor organization.

Article 2. Effective Date, Term and Termination

2.1 Effective Date

Subject to Article 18.4, this SGIA 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. Transmission Provider shall promptly file this SGIA with the Commission upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement

Subject to the provisions of Article 2.3, this SGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request and shall be automatically renewed for each successive one-year

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

period thereafter, provided however that this Agreement will terminate concurrently with any termination of the Umbrella Agreement.

2.3 Termination Procedures

2.3.1 Written Notice

This SGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying the Commission after the Generating Facility permanently ceases Commercial Operation.

2.3.2 Default

Either Party may terminate this SGIA in accordance with Article 17.

2.3.3 RMS Provisions

If Interconnection Customer elects to terminate its obligation to comply with the RMS Provisions as provided for in Section 2.9 of the RMS Provisions, Transmission Provider may at any time thereafter terminate this SGIA on five (5) Calendar Days advance written notice to Interconnection Customer.

2.3.4 Notwithstanding Articles 2.3.1 through 2.3.3, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with the Commission of a notice of termination of this SGIA, if required, which notice has been accepted for filing by the Commission.

2.4 Termination Costs

If a Party elects to terminate this Agreement pursuant to Article 2.3 above, each Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Party, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the terminating Party under this SGIA. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this SGIA, unless otherwise ordered or approved by the Commission:

2.4.1 With respect to any portion of Transmission Provider's Interconnection Facilities that have not yet been constructed or installed, Transmission Provider 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 Transmission Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Provider to cancel any pending orders of or return such materials, equipment, or contracts.

If an Interconnection Customer terminates this SGIA, 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 Transmission Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Transmission Provider may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

case Transmission Provider 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 SGIA, 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 SGIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this SGIA or such non-terminating Party otherwise is responsible for these costs under this SGIA.

2.6 Survival

This SGIA 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 SGIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this SGIA was in effect; as provided in Article 11.4.2; and to permit each Party to have access to the lands of the other Party pursuant to this SGIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing

Transmission Provider shall file this SGIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this SGIA, or any amendment thereto, the Interconnection Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

Article 4. Scope Of Service

4.1 Interconnection Product Options

Interconnection Customer has selected the following (checked) type of Interconnection Service:

4.1.1 Energy Resource Interconnection Service

4.1.1.1 The Product

Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System and be eligible to deliver the Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. To the extent Interconnection Customer wants to receive Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A to this SGIA.

4.1.1.2 Transmission Delivery Service Implications

Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Generating Facility into and deliver power across the interconnecting Transmission Provider's Transmission System on an "as available" basis up to the amount of MWs identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for Energy Resource Interconnection Service have been constructed. No transmission delivery service from the Generating

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Facility is assured, but Interconnection Customer may obtain Point-to-Point Transmission Service, Network Integration Transmission Service, or be used for secondary network transmission service, pursuant to Transmission Provider's Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for Interconnection Customer to obtain the right to deliver or inject energy beyond the Generating Facility Point of Interconnection or to improve its ability to do so, transmission service must be obtained pursuant to the provisions of Transmission Provider's Tariff. The Interconnection Customer's ability to inject its Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of Transmission Provider's Transmission System at such time as a transmission service request is made that would accommodate such delivery. The provision of firm Point-to-Point Transmission Service or Network Integration Transmission Service may require the construction of additional Network Upgrades.

4.1.2 √ Network Resource Interconnection Service

4.1.2.1 The Product

Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in the same manner as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Appendix A to this SGIA.

4.1.2.2 Transmission Delivery Service Implications

Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated by any Network Customer under the Tariff on Transmission Provider's Transmission System as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the Generating Facility in the same manner as it accesses other Network Resources. A Generating Facility receiving Network Resource Interconnection Service may also be used to provide Ancillary Services after technical studies and/or periodic analyses are performed with respect to the Generating Facility's ability to provide any applicable Ancillary Services, provided that such studies and analyses have been or would be required in connection with the provision of such Ancillary Services by any existing Network Resource. However, if an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, it cannot be required to provide Ancillary Services except to the extent such requirements extend to all generating facilities that are similarly situated. The provision of Network Integration Transmission Service or firm Point-to-Point Transmission Service may require additional studies and the construction of additional upgrades. Because such studies and upgrades would be associated with a request for transmission service under the Tariff, cost responsibility for the studies and upgrades would be in accordance with Transmission Provider's Tariff for pricing transmission delivery services.

Network Resource Interconnection Service does not necessarily provide Interconnection Customer with the capability to physically deliver the output of its Generating Facility to any particular load on Transmission Provider's Transmission System without incurring congestion costs. In the event of transmission constraints on Transmission Provider's Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as all other Network Resources.

There is no requirement either at the time of study or interconnection, or at any point in the future, that Interconnection Customer's Generating Facility be designated as a

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Network Resource by a Network Customer under the Tariff or that Interconnection Customer identify a specific buyer (or sink). To the extent a Network Customer does designate the Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interconnection Service, any future transmission service request for delivery from the Generating Facility within Transmission Provider's Transmission System of any amount of capacity and/or energy, up to the amount initially studied, will not require that any additional studies be performed or that any further upgrades associated with such Generating Facility be undertaken, regardless of whether or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent Interconnection Customer enters into an arrangement for long term transmission service for deliveries from the Generating Facility outside Transmission Provider's Transmission System, such request may require additional studies and upgrades in order for Transmission Provider to grant such request.

4.2 Provision of Service

Transmission Provider shall provide Interconnection Service for the Generating Facility at the Point of Interconnection, provided however that notwithstanding any other provision of this SGIA, Transmission Provider need not provide Interconnection Service for the Generating Facility at the Point of Interconnection unless Interconnection Customer has made the CMHLP Payments as required pursuant to the Umbrella Agreement and is otherwise not in Default (as defined in the Umbrella Agreement) pursuant to the Umbrella Agreement. Before Transmission Provider does not provide

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Interconnection Service as permitted by this Article 4.2, Transmission Provider shall provide Interconnection Customer with written notice. Any non-provision of Interconnection Service pursuant to this Article 4.2 shall continue only for so long as Interconnection Customer has failed to make the CMHLP Payments as required pursuant to the Umbrella Agreement or is otherwise in Default (as defined in the Umbrella Agreement) pursuant to the Umbrella Agreement.

4.3 Performance Standards

Each Party shall perform all of its obligations under this SGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this SGIA for its compliance therewith. If such Party is the Transmission Provider, then that Party shall amend the SGIA and submit the amendment to the Commission for approval.

4.4 No Transmission Service

The execution of this SGIA does not constitute a request for, nor the provision of, any transmission service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

4.5 Interconnection Customer Provided Services

The services provided by Interconnection Customer under this SGIA are set forth in Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.6.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Article 5. Interconnection Facilities Engineering, Procurements and Construction

5.1 Construction Timing

Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and target Commercial Operation Date. Such dates shall be set forth in Appendix B, Milestones.

5.1.1 Reserved

5.1.2 Agreement on Dates

5.1.2.1 If the dates designated by Interconnection Customer are acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days, and Transmission Provider shall design, procure, and construct Transmission Provider's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Provider 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 labour agreements, and Applicable Laws and Regulations. In the event Transmission Provider reasonably expects that it will not be able to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the specified dates, Transmission Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2.2 If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, Transmission Provider shall so notify 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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades by the dates specified in Article 5.1. Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.2.3 If Interconnection Customer elects not to exercise its option under Article 5.1.2.2, Interconnection Customer shall so notify Transmission Provider within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revisions of the specified dates, the provision of incentives or the procurement and construction of a portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Provider is responsible for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Provider shall assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.2.1.

5.2 General Conditions Applicable to Option to Build

If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades,

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

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

(3) Transmission Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(4) prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider;

(5) at any time during construction, Transmission Provider shall have the right to gain unrestricted access to Transmission Provider'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Provider, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;

(7) Interconnection Customer shall indemnify Transmission Provider for claims arising from Interconnection Customer's construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

(8) Interconnection Customer shall transfer control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Provider or its designee;

(10) Transmission Provider shall approve and accept for operation and maintenance Transmission Provider'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 Transmission Provider "as-built" drawings, information, and any other documents that are reasonably required by Transmission Provider to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved

5.4 Power System Stabilizers

The Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council and as required by the RMS Provisions. Transmission Provider reserves the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Generating Facility. If the Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall

ACCEPTED: FEB 17 2011
ORDER NO. E 20 11
COMMISSION SECRETARY

immediately notify Transmission Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement

If responsibility for construction of Transmission Provider's Interconnection Facilities or Network Upgrades is to be borne by Transmission Provider, then Transmission Provider shall commence design of Transmission Provider'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 Transmission Provider has completed the Interconnection Facilities Study pursuant to the Combined Study Agreement;

5.5.2 Transmission Provider has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement

Transmission Provider shall commence construction of Transmission Provider'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 Transmission Provider's Interconnection Facilities and Network Upgrades;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

5.6.3 Transmission Provider has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.

5.7 Work Progress

The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party may, at any time, request a progress report from the other Party. If, at any time, Interconnection Customer determines that the completion of Transmission Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider of such later date upon which the completion of Transmission Provider'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 Transmission Provider's Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation

If any of Transmission Provider's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Facility, Transmission Provider 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 Generating Facility and Interconnection Customer Interconnection Facilities may operate prior to the completion of Transmission Provider's Interconnection

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this SGIA. Transmission Provider shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer Interconnection Facilities in accordance with the results of such studies.

5.10 Interconnection Customer's Interconnection Facilities (ICIF)

Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A, Interconnection Facilities and Network Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications

Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Provider 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. Transmission Provider shall review such specifications to ensure that the ICIF are compatible with the technical specifications (including the Technical Interconnection Requirements), operational control, and safety requirements of Transmission Provider and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed Confidential Information.

5.10.2 Transmission Provider's Review

Transmission Provider'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 Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required by Transmission Provider, in accordance with Good Utility Practice, to ensure

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

that the ICIF are compatible with the technical specifications (including the Technical Interconnection Requirements), operational control, and safety requirements of Transmission Provider.

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, Interconnection Customer shall deliver to Transmission Provider "as-built" drawings, information and documents for the ICIF, such as: a one-line diagram, a site plan showing the 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 Interconnection Customer's step-up transformers, the facilities connecting the 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 Generating Facility. The Interconnection Customer shall provide Transmission Provider specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Transmission Provider's Interconnection Facilities Construction

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

ACCEPTED: FEB 17 2011
ORDER NO. 6 2011

COMMISSION SECRETARY

Transmission Provider will obtain control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

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 no cost to the other 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), or any Affiliate, that are necessary to enable the Access Party 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 Generating Facility with the Transmission System; (ii) operate and maintain the Generating Facility, the Interconnection Facilities and the Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this SGIA. 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 Transmission Provider's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Provider, Transmission Provider shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, and to the extent consistent with Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain,

ACCEPTED: FEB 17 2011
ORDER NO. 6 2011

COMMISSION SECRETARY

test, inspect, replace or remove Transmission Provider's Interconnection Facilities and/or Network Upgrades upon such property.

5.14 Permits

Each Party shall be responsible for obtaining all permits, licenses and authorizations that are necessary for it to accomplish the matters it is obligated to complete hereunder in compliance with Applicable Laws and Regulations. Transmission Provider and Interconnection Customer shall cooperate with each other in good faith in obtaining any such permits, licenses and authorizations. With respect to this paragraph, Transmission Provider shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's, generation.

5.15 Early Construction of Base Case Facilities

Interconnection Customer may request Transmission Provider to construct, and Transmission Provider 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 Transmission System which were included in the Base Case for the Interconnection Facilities Study, 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.

5.16 Suspension

Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this SGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

Practice and Transmission Provider's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this SGIA 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 Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labour contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to cancelling or suspending any such material, equipment or labour contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs, plus any applicable taxes, pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Transmission Provider required under this SGIA pursuant to this Article 5.16, and has not requested Transmission Provider to recommence the work required under this SGIA on or before the expiration of three (3) years following commencement of such suspension, this SGIA 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 Transmission Provider, if no effective date is specified.

5.17 Tax Indemnity

Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any current tax liability imposed against Transmission Provider as a result of payments or property transfers made by Interconnection Customer to Transmission Provider under this SGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

5.18 Tax Status

Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this SGIA is intended to adversely affect Transmission Provider's tax exempt status.

5.19 Modification

5.19.1 General

Either Party 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, that Party shall provide to the other Party sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. 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 Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party 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.

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

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11
COMMISSION SECRETARY

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 SGIA 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 Transmission Provider makes to Transmission Provider's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Provider's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

Article 6. Reserved

Article 7. Reserved

Article 8. Communications

8.1 Reserved

8.2 Reserved

8.3 No Annexation

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

Article 9. Operations

9.1 General

Each Party shall comply with the Applicable Reliability Standards. Each Party shall provide to the other Party all information that may reasonably be required by the other Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards. Subject to Section 2.9 of the RMS Provisions, the Generator shall comply with the RMS Provisions.

9.2 Reserved

9.3 Transmission Provider Obligations

Transmission Provider shall cause the Transmission System and Transmission Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with all Operating Orders and this SGIA. Transmission Provider may provide to Interconnection Customer, and Interconnection Customer will

ACCEPTED: FEB 17 2011

ORDER NO. G 2011

COMMISSION SECRETARY

comply with, operating instructions consistent with this SGIA and Transmission Provider's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Interconnection Customer.

9.4 Interconnection Customer Obligations

Interconnection Customer shall at its own expense operate, maintain and control the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA and the Technical Interconnection Requirements. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all Operating Orders and applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this SGIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Either Party may request that the other Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this SGIA.

9.5 Start-Up and Synchronization

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

9.6 Reserved

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

In accordance with Good Utility Practice and in coordination with the other Party, the Interconnection Customer may remove the Interconnection Customer's Interconnection Facilities, and the Transmission Provider may remove the Transmission Provider's Interconnection Facilities or any part of the Transmission System, from service that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to the Parties. In all circumstances any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal. Neither Party shall be liable to the other for damages of any kind in connection with any such outage.

9.7.1.2 Outage Schedules

Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration

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

9.7.2 Interruption of Service

If required by Good Utility Practice to do so, Transmission Provider may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's ability to perform such activities as are necessary to safely and reliably operate and maintain the Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.7.2:

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

9.7.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the Transmission System;

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

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

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

9.7.2.6 Neither Party shall be liable to the other for damages of any kind in connection with any such curtailment, interruption or reduction.

9.8 Switching and Tagging Rules

Each Party shall provide the other Party 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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

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 Facility

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 Generating Facility to the 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 Transmission Provider's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Transmission Provider's Interconnection Facilities from all third party users based upon the pro rata use of the Transmission Provider's Interconnection Facilities by 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 Transmission Provider's Interconnection Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by 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.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

9.10 Disturbance Analysis Data Exchange

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

Article 10. Maintenance

10.1 Transmission Provider Obligations

Transmission Provider shall maintain the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA.

10.2 Interconnection Customer Obligations

Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this SGIA.

10.3 Coordination

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

10.4 Secondary Systems

Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric

ACCEPTED: FEB 17 2011

ORDER NO.

COMMISSION SECRETARY

raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact the other Party. Each Party shall provide advance notice to the other Party before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 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 Transmission Provider's Interconnection Facilities.

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer Interconnection Facilities described in Appendix A, Interconnection Facilities and Network Upgrades, at its sole expense.

11.2 Transmission Provider's Interconnection Facilities

Transmission Provider shall design, procure, construct, install, own and/or control Transmission Provider's Interconnection Facilities described in Appendix A, Interconnection Facilities and Network Upgrades, at the sole expense of the

ACCEPTED: FEB 17 2011

ORDER NO.

COMMISSION SECRETARY

Interconnection Customer and Interconnection Customer shall provide security for the costs of such TPIF in accordance with Article 11.5 of this Agreement.

11.3 Network Upgrades

Transmission Provider shall design, procure, construct and install, and Transmission Provider or Transmission Owner shall own the Network Upgrades described in Appendix A, Interconnection Facilities and Network Upgrades. Transmission Provider shall fund the costs for the Network Upgrades and Interconnection Customer shall provide security for the costs of such Network Upgrades in accordance with Article 11.5 of this Agreement.

11.3.1 On the Commercial Operation Date, Interconnection Customer shall also provide security in accordance with Article 11.5 of this Agreement for any amounts that Transmission Provider is obligated to pay to third parties in accordance with provisions in other Standard Generator Interconnection Agreements similar to Article 11.4.2 of this Agreement as a result of the Generating Facility's use of network upgrades funded by such third parties.

11.4 Credits and Repayments

11.4.1 Reserved

11.4.2 Repayment on Failure to Achieve Commercial Operation

If the Generating Facility fails to achieve Commercial Operation, this Agreement is terminated, and another generating facility subsequently makes use of the Network Upgrades constructed pursuant to this Agreement, Transmission Provider shall at that time reimburse Interconnection Customer for the amounts collected on the security provided by Interconnection Customer pursuant to Section III.D.(b) and Section III.D.(c) of Attachment O of the Tariff, for those Network Upgrades used by the other generating

ACCEPTED: FEB 17 2011

ORDER NO. G 2011

COMMISSION SECRETARY

facility, as reasonably determined by BCTC. This Article 11.4.2 shall survive the termination of this Agreement.

11.4.3 Deferral Credits

Where Interconnection Customer satisfies the eligibility criteria set out in Attachment N to the Tariff, Interconnection Customer shall, in addition to any payments provided for in Article 11.4.2, be entitled to Deferral Credits against the non-usage sensitive portion of transmission charges as provided for in Attachment N to the Tariff.

11.4.4 Other Rights

Notwithstanding any other provision of this SGIA, 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 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, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Generating Facility.

11.5 Provision of Security

At least thirty (30) Calendar Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of Transmission Provider's Interconnection Facilities or the Network Upgrades, Interconnection Customer shall provide Transmission Provider a standby irrevocable letter of credit or other form of security that is reasonably acceptable to Transmission Provider and otherwise meets the requirements of Attachment O to the Tariff. Such security shall be granted in favour of Transmission Provider and Transmission Owner. The security shall be in an amount equal to the amount required by Article 11.3.1 of this Agreement plus an amount

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

sufficient to cover the costs for designing, constructing, procuring and installing the applicable portion of the Network Upgrades and the Transmission Provider's Interconnection Facilities plus in respect of security for the TPIF taxes that would apply when Interconnection Customer is invoiced by Transmission Provider for such costs. The security for the TPIF shall be reduced from time to time to the extent the amount exceeds the Transmission Provider's good faith estimate of the remaining costs to complete the applicable portion of Transmission Provider's Interconnection Facilities plus taxes that would apply when Interconnection Customer is invoiced by Transmission Provider for such remaining costs.

11.6 Interconnection Customer Compensation

If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Article 13.5.1 of this SGIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable Commission-approved rate schedule in effect. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with the Commission. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any reactive power under this SGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at the Commission or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition

Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

Article 12. Invoice

12.1 General

Each Party may submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month, plus any applicable taxes. 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 under this SGIA, 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 Transmission Provider's Interconnection Facilities, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities, plus any applicable taxes, 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. Transmission Provider 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.

12.3 Payment. Invoices

Payment Invoices shall be rendered to the paying Party at the address specified in Appendix E. 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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by either Party will not constitute a waiver of any rights or claims either Party may have under this SGIA.

12.4 Disputes

In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this SGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 Transmission Provider 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 which shall be calculated in accordance with the provisions in the Tariff.

Article 13. Emergencies

13.1 Definition

"Emergency Condition" shall mean a condition or situation: (i) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (ii) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Transmission System, Transmission Provider's Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (iii) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions;

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

provided, that Interconnection Customer is not obligated by this SGIA to possess black start capability.

13.2 Obligations

Each Party shall comply with the Emergency Condition procedures of the Applicable Reliability Council, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice

Transmission Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Provider's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Provider'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 Transmission Provider'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.

13.4 Immediate Action

Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Provider, such consent to not be unreasonably withheld, prior to performing any manual switching

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or otherwise regarding the Transmission System.

13.5 Transmission Provider Authority.

13.5.1 General

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

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider may, on the basis of technical considerations, require the Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's operating instructions concerning Generating Facility real power and reactive power output within the manufacturer's design limitations of the Generating Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

13.5.2 Reduction and Disconnection

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

13.6 Interconnection Customer Authority

Consistent with Good Utility Practice and the SGIA and the SGIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Generating Facility or 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 Transmission System and Transmission Provider's Interconnection Facilities. Transmission Provider shall use Reasonable Efforts to assist Interconnection Customer in such actions.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

13.7 Limited Liability

Except as otherwise provided in Article 11.6.1 of this SGIA, neither Party shall be liable to the other for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and is consistent with Good Utility Practice.

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements

Each Party's obligations under this SGIA 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.

14.2 Governing Law

14.2.1 The validity, interpretation and performance of this SGIA and each of its provisions shall be governed by the laws of British Columbia, without regard to its conflicts of law principles.

14.2.2 This SGIA 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.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Article 15. Notices

15.1 General

Unless otherwise provided in this SGIA, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with Canada Post 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 E, Addresses for Delivery of Notices and Billings.

Either Party may change the notice information in this SGIA 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 E.

15.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by a Party to the other 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 E.

15.4 Operations and Maintenance Notice

Each Party shall notify the other Party 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.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

Article 16. Force Majeure

16.1 Force Majeure

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 Neither Party shall 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 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 labour disturbance.

Article 17. Default

17.1 Default

17.1.1 General

No Default 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 SGIA or the result of an act of omission of the other Party. 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 Default notice within which to cure such Breach; provided however, if such Breach is not

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

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 Default 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 shall have the right to declare a Default and terminate this SGIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this SGIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this SGIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity

Each Party shall at all times indemnify, defend, and hold the other Party, and its directors, officers, employees, agents and shareholders (each, an Indemnified Person) 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, legal fees, and all other obligations by or to third parties, arising out of or resulting from a Party's Breach, except in cases of gross negligence or intentional wrongdoing by the other 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

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

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.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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 such 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 unreasonably withheld, conditioned or delayed.

18.2 Consequential Damages

In no event shall either Party be liable under any provision of this SGIA 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

Each Party shall, at its own expense, maintain in force throughout the period of this SGIA, and until released by the other Party, the following minimum insurance coverages, with insurers authorized to do business in British Columbia:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with Applicable Laws and Regulations.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

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, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees (Other Party Group) as additional insureds. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this SGIA against the Other Party Group and provide thirty (30) days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

ACCEPTED: FEB 17 2011

ORDER NO. G 2011

E Hamilton

COMMISSION SECRETARY

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 polices 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 SGIA, 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 SGIA.

18.3.9 Within ten (10) days following execution of this SGIA, 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 SGIA, 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

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

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 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 SGIA.

18.4 Indemnity in Favour of Transmission Owner

This SGIA shall not become effective until Interconnection Customer executes and delivers to Transmission Provider an indemnity in favour of Transmission Owner in the form attached in Appendix H.

Article 19. Assignment

19.1 Assignment

This SGIA may be assigned by either Party only with the written consent of the other; provided that either Party may assign this SGIA without the consent of the other Party 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 SGIA; and provided further that Interconnection Customer shall have the right to assign this SGIA, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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 Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider 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 SGIA 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 SGIA 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 SGIA.

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 relating to a Party's technology, research and development, business affairs, and pricing, and any

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11

COMMISSION SECRETARY

information supplied by either of the Parties to the other prior to the execution of this SGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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.

Notwithstanding the foregoing, the release of Confidential Information shall be subject to Applicable Laws and Regulations and Applicable Reliability Standards.

22.1.1 Term

During the term of this SGIA, and for a period of three (3) years after the expiration or termination of this SGIA, 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 other Party to keep such information confidential; (4) was independently developed by the receiving Party without

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

reference to Confidential Information of the other Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this SGIA; or (6) is required, in accordance with Article 22.1.7 of the SGIA, 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 SGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

22.1.3 Release of Confidential Information

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), contractors, subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this SGIA, 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. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

22.1.5 No Warranties

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

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 under this SGIA or as required by Applicable Law and Regulations, Applicable Reliability Standards or Good Utility Practice.

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

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

22.1.8 Termination of Agreement

Upon termination of this SGIA for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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

Notwithstanding anything in this Article 22 to the contrary, if the Commission 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 SGIA, the Party shall provide the requested information to the Commission within the time provided for in the request for information. In providing the information to the Commission, the Party

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

must request that the information be treated as confidential and non-public by the Commission and that the information be withheld from public disclosure.

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 SGIA (Confidential Information) shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this SGIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to a subregional, regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

Article 23. Environmental Releases

23.1 Notice of Release

Each Party shall notify the other Party, 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 Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

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 hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

Article 24. Information Requirements

24.1 Information Acquisition

Transmission Provider and Interconnection Customer 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 Transmission Provider

The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider'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 Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

copy of the Generating Facility data requirements contained in Appendix 1 to the SGIP. It shall also include any additional information provided to Transmission Provider for the Interconnection Feasibility Study and Interconnection Facilities Study. Information in this submission shall be the most current Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Combined Study Agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies to determine the impact on Transmission Provider Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation

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

Unless otherwise agreed, the test conditions shall include: (1) Generating Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

(3) a five percent change in 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 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 Generating Facility's terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Generating Facility terminal or field voltages is provided. Generating Facility testing shall be conducted and results provided to Transmission Provider for each individual generating unit in a station.

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

Article 25. Information Access And Audit Rights

25.1 Information Access

Each Party (the disclosing Party) shall make available to the other Party information that is in the possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this SGIA; and (ii) carry out its obligations and responsibilities under this SGIA. 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 SGIA.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

25.2 Reporting of Non-Force Majeure Events

Each Party (the notifying Party) shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this SGIA 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 SGIA.

25.3 Audit Rights

Subject to the requirements of confidentiality under Article 22 of this SGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this SGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the 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 SGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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 Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider'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 either Party's performance or satisfaction of all obligations under this SGIA 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 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 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 together with those records from the audit which support such determination.

Article 26. Subcontractors

26.1 General

Nothing in this SGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this SGIA; provided, however, that each Party shall require its subcontractors to comply with all

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

applicable terms and conditions of this SGIA in providing such services and each Party shall remain primarily liable to the other Party 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 SGIA. The hiring Party shall be fully responsible to the other Party 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 Transmission Provider be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this SGIA. Any applicable obligation imposed by this SGIA 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

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the other Party's failure to comply with this SGIA, such dispute or claim shall be resolved in accordance with Dispute Resolution.

Article 28. Representations, Warranties and Covenants

28.1 General

Each Party makes the following representations, warranties and covenants:

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

28.1.1 Good Standing

Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in British Columbia; 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 SGIA 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 SGIA.

28.1.2 Authority

Such Party has the right, power and authority to enter into this SGIA, to become a party hereto and to perform its obligations hereunder. This SGIA 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 SGIA 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 SGIA 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 SGIA, and

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

it will provide to any Governmental Authority notice of any actions under this SGIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee

Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Interconnection Customer shall notify Transmission Provider of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this SGIA. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Establish Operating Order(s) that will, without limitation, establish operating authority boundaries and isolation procedures for the Generating Facility and that part of the Transmission System which is affected by its interconnection to the Generating Facility.

29.1.7 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect

This SGIA 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 SGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this SGIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation

This SGIA, 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 SGIA, and reference to a person in a particular capacity excludes such person in any other capacity or individually;

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

(3) reference to any agreement (including this SGIA), 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 SGIA or such Appendix to this SGIA, or such Section to the SGIP or such Appendix to the SGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this SGIA 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

The Umbrella Agreement and this SGIA, 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 SGIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this SGIA. To the extent of any inconsistency between the terms of the Umbrella Agreement and this SGIA, the Umbrella Agreement shall govern.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

30.5 No Third Party Beneficiaries

Except with respect to the security contemplated by Article 11.5 and the indemnity in favour of the Transmission Owner contemplated by Article 18.4, this SGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favour 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 SGIA to insist, on any occasion, upon strict performance of any provision of this SGIA will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this SGIA shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this SGIA. Termination or Default of this SGIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this SGIA shall, if requested, be provided in writing.

30.7 Headings

The descriptive headings of the various Articles of this SGIA have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this SGIA.

30.8 Multiple Counterparts

This SGIA may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

30.9 Amendment

The Parties may by mutual agreement amend this SGIA 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 SGIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this SGIA upon satisfaction of all Applicable Laws and Regulations.

30.11 Reservation of Rights.

Transmission Provider and Interconnection Customer shall each have the right to make a unilateral filing with the Commission to modify this SGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before the Commission in which such modifications may be considered.

30.12 No Partnership

This SGIA 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 either Party. Neither 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 Party.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

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

BRITISH COLUMBIA TRANSMISSION CORPORATION

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

DM_VAN260254-20062/7573035.5

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

APPENDIX A to SGIA

Interconnection Facilities and Network Upgrades

1. Interconnection Facilities:

   (a) [insert Interconnection Customer's Interconnection Facilities]:

   (b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

   (a) [insert Stand Alone Network Upgrades]:

   (b) [insert Other Network Upgrades]:

ACCEPTED: FEB 17 2011

ORDER NO. G-20-11

COMMISSION SECRETARY

APPENDIX B to SGIA

Milestones

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

APPENDIX C to SGIA

Interconnection Details

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11
COMMISSION SECRETARY

APPENDIX D to SGIA

Commercial Operation Date

This Appendix D is a part of the SGIA between Transmission Provider and Interconnection Customer.

[Date]

British Columbia Transmission Corporation
Suite 1100, Four Bentall Centre
1055 Dunsmuir Street
Vancouver BC, V7X 1V5

Attention: Manager, Market Operations

Re: _____ Generating Facility

Dear _____:

On [Date] [Interconnection Customer] has completed Trial Operation of Unit No. ___. This letter confirms that [Interconnection Customer] commenced Commercial Operation of Unit No. ___ at the Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]

DM_VAN/260254-00062/7573085.5

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

APPENDIX E to SGIA

Addresses for Delivery of Notices and Billings

Notices:

Transmission Provider:

British Columbia Transmission Corporation
Suite 1100, Four Bentall Centre
1055 Dunsmuir Street
Vancouver BC, V7X 1V5

Attention: Manager, Market Operations

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11
COMMISSION SECRETARY

APPENDIX F to SGIA

WECC RMS Agreement

1. Definitions

In this Appendix, the following words and terms will have the meaning ascribed to them in this Clause 1, unless the context requires otherwise.

"Canadian Regulatory Authority" means the agency or agencies established under the laws of Canada or the applicable Provinces of Canada and having jurisdiction over facilities, interconnections, transmission rates, charges, terms and conditions of service of Transmission Provider.

"Member" means any party to the WECC Agreement.

"Participant" has the meaning set out in the WSCC Reliability Criteria Agreement.

"Reliability Management System" or "RMS" means the contractual reliability management program implemented through the WECC Reliability Criteria Agreement, Clause 2 of this Appendix, and any similar contractual arrangement.

"Western Interconnection" means the area comprising those states and provinces, or portions thereof, in Western Canada, Northern Mexico and the Western United States in which members of the WECC operate synchronously connected transmission systems.

"WECC" means the Western Electricity Coordinating Council or any successor entity.

"WECC Agreement" means the Western Electricity Coordinating Council Agreement dated March 20, 1967, as such may be amended from time to time.

"WECC Reliability Criteria Agreement" means the Electricity Systems Coordinating Council Reliability Criteria Agreement - Canadian Language Version dated November 1,

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11
COMMISSION SECRETARY

2000 among the WECC and certain of its Canadian member transmission operators, as such may be amended from time to time.

"WECC Staff" means those employees of the WECC, including personnel hired by the WECC on a contract basis, designated as responsible for the administration of the RMS.

2. Reliability Management System

2.1 Purpose

In order to maintain the reliable operation of the transmission grid, the WECC Reliability Criteria Agreement sets forth reliability criteria adopted by the WECC to which Interconnection Customer and Transmission Provider shall be required to comply.

2.2 Compliance

Interconnection Customer will comply with the requirements of the WECC Reliability Criteria Agreement, including the applicable WECC reliability criteria set forth in Section IV of Annex A thereof, and, in the event of failure to comply, agrees to be subject to the sanctions applicable to such failure. Such sanctions will be assessed pursuant to the procedures contained in the WECC Reliability Criteria Agreement. Each and all of the provisions of the WECC Reliability Criteria Agreement are hereby incorporated by reference into this Clause 2 as though set forth fully herein, and Interconnection Customer shall for all purposes be considered a Participant, and shall be entitled to all of the rights and privileges and be subject to all of the obligations of a Participant, under and in connection with the WECC Reliability Criteria Agreement, including but not limited to the rights, privileges and obligations set forth in Sections 5, 6 and 10 of the WSCC Reliability Criteria Agreement.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

2.3 Payment of Sanctions

Interconnection Customer shall be responsible for payment of any monetary sanction assessed against Interconnection Customer by WECC pursuant to the WECC Reliability Criteria Agreement. Any such payment will be made pursuant to the procedures specified in the WECC Reliability Criteria Agreement.

2.4 Transfer of Control or Sale of Generation Facilities

In any sale or transfer of control of any generation facilities subject to this SGIA, Interconnection Customer shall as a condition of such sale or transfer require the acquiring party or transferee with respect to the transferred facilities either to assume the obligations of the Interconnection Customer with respect to this Appendix or to enter into an agreement with Transmission Provider imposing on the acquiring party or transferee the same obligations applicable to Interconnection Customer pursuant to this Clause 2.

2.5 Publication

Interconnection Customer consents to the release by the WECC of information related to the Interconnection Customer's compliance with this Appendix only in accordance with the WECC Reliability Criteria Agreement.

2.6 Third Parties

Except for the rights and obligations between the WECC and Interconnection Customer specified in this Clause 2, this Appendix creates contractual rights and obligations solely between the Parties. Nothing in this Appendix will create, as between the Parties or with respect to the WECC: (1) any obligation or liability whatsoever (other than as expressly provided in this Appendix), or (2) any duty or standard of care whatsoever. In addition, nothing in this Appendix shall create any duty, liability, or standard of care whatsoever as to any other party. Except for the rights, as a third-party beneficiary under this Clause 2, of the WECC against Interconnection Customer, no third-party shall have any rights

ACCEPTED: FEB 17 2011
ORDER NO. G-20-11

COMMISSION SECRETARY

whatsoever with respect to enforcement of any provision of this Appendix. Transmission Provider and Interconnection Customer expressly intend that the WECC is a third-party beneficiary to this Clause 2, and the WECC shall have the right to seek to enforce against Interconnection Customer any provision of this Clause 2, provided that specific performance shall be the sole remedy available to the WECC pursuant to Clause 2 of this Appendix, and Interconnection Customer shall not be liable to the WECC pursuant to this Appendix for damages of any kind whatsoever (other than the payment of sanctions to the WECC, if so construed), whether direct, compensatory, special, indirect, consequential, or punitive.

2.7 Reserved Rights

Nothing in the RMS or the WECC Reliability Criteria Agreement shall affect the right of Transmission Provider, subject to any necessary regulatory approval, to take such other measures to maintain reliability, including disconnection, which Transmission Provider may otherwise be entitled to take.

2.8 Severability

If one or more provisions of this Clause 2 shall be invalid, illegal or unenforceable in any respect, it shall be given effect to the extent permitted by applicable law, and such invalidity, illegality or unenforceability shall not affect the validity of the other provisions of this Agreement.

2.9 Termination

Interconnection Customer may terminate its obligations pursuant to this Clause 2:

(a) if after the Effective Date, the requirements of the WECC Reliability Criteria Agreement applicable to Interconnection Customer are amended so as to adversely affect Interconnection Customer, provided that Interconnection Customer gives fifteen (15) days' notice of such termination to Transmission

ACCEPTED: FEB 17 2011
ORDER NO. 0 20 11

COMMISSION SECRETARY

Provider and the WECC within forty-five (45) days of the date the appropriate Canadian Regulatory Authority accepts or approves such amendment, provided further that the forty-five (45) day period within which notice of termination is required may be extended by Interconnection Customer for an additional forty-five (45) days if Interconnection Customer gives written notice to Transmission Provider of such requested extension within the initial forty-five (45) day period; or

(b) for any reason on one year's written notice to Transmission Provider and the WECC.

2.10 Mutual Agreement

This Clause 2 may be terminated at any time by mutual agreement of Transmission Provider and Interconnection Customer.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

APPENDIX G to SGIA

Dispute Resolution Procedure

1. **Internal Dispute Resolution Procedures**

Any dispute between the Interconnection Customer and Transmission Provider involving Interconnection Service under the Tariff or this SGIA (excluding applications for rate changes or other changes to the Tariff which shall be presented directly to the Commission for resolution) shall be referred to a designated senior representative of the Transmission Provider and a senior representative of the Interconnection Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) Calendar Days or such other period as the Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

2. **External Arbitration Procedures**

Any arbitration initiated pursuant to Paragraph 1 above shall be conducted in British Columbia 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 referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters 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 conduct the arbitration in British Columbia and shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Act of British Columbia.

ACCEPTED: FEB 17 2011
ORDER NO. G 20 11

COMMISSION SECRETARY

3. Arbitration Decisions

Unless otherwise agreed, 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 therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and this SGIA, as applicable, and shall have no power to modify or change any of them 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 of the Commercial Arbitration Act of British Columbia. The final decision of the arbitrator must also be filed with the Commission if it affects the Transmission Provider's rates, terms and conditions of service or facilities.

4. Costs

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

(a) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or

(b) one half the cost of the single arbitrator jointly chosen by the Parties.

5. Rights Under The British Columbia *Utilities Commission Act*

Nothing in this dispute resolution procedure shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the British Columbia *Utilities Commission Act*.

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

APPENDIX H to SGIA

Transmission Owner Indemnity

THIS INDEMNITY AGREEMENT is made as of the ____ day of _____, 20___.

WHEREAS British Columbia Transmission Corporation (BCTC) and the undersigned (the Indemnitor) entered into a Standard Generator Interconnection Agreement dated the ___ day of _____, 20_____ (the Interconnection Agreement); and

WHEREAS BCTC operates the Transmission System (as defined in the Interconnection Agreement), but British Columbia Hydro and Power Authority (BC Hydro) has legal ownership of the majority of the Transmission System; and

WHEREAS it is a condition of the Indemnitor interconnecting the Indemnitor's Generating Facility to the Transmission System (each as defined in the Interconnection Agreement) that the Indemnitor execute this Indemnity Agreement in favour of BC Hydro.

NOW THEREFORE THIS INDEMNITY AGREEMENT WITNESSES that, in consideration of BCTC permitting the Indemnitor's Generating Facility to be interconnected to the Transmission System, the sum of ten ($10) dollars paid by BCTC on behalf of BC Hydro to the Indemnitor, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Indemnitor, the Indemnitor covenants and agrees with BC Hydro as follows:

1. Subject to paragraphs 2 and 3, the Indemnitor shall indemnify and save and hold harmless BC Hydro, its directors, officers, employees, shareholders, agents, successors and assigns (collectively, the Indemnitees and each individually, an Indemnitee) from and against any and all claims, liabilities, losses, damages, costs and expenses (including legal fees and disbursements on a solicitor-client basis and consultant fees and disbursements), fines, penalties, judgements, awards, assessments or charges of any kind, with any of the Indemnitees incurs, suffers or is put to which in any way relate to or arise

ACCEPTED: FEB 17 2011
ORDER NO. G 20 '11

COMMISSION SECRETARY

or result from any third-party claim, demand or proceeding, which in any way relate to or arise or result from any failure by the Indemnitor to keep, observe or perform any obligations, covenants, terms or conditions under the Interconnection Agreement to be kept, observed or performed by the Indemnitor, or any negligent, reckless or intentional wrongdoing of the Indemnitor or any director, officer, employee, shareholder or agent of the Indemnitor.

2. Paragraph 1 shall not apply to the extent any claims, liabilities, losses, damages, costs and expenses (including legal fees and disbursements on a solicitor-client basis and consultant fees and disbursements), fines, penalties, judgements, awards, assessments or charges are attributable to any gross negligence or intentional wrongdoing of any of the Indemnitees.

3. Notwithstanding paragraph 1, neither the Indemnitor nor BC Hydro, nor any of its directors, officers, employees, shareholders, agents, successors and assigns, shall be liable to the other party, or any of its directors, officers, employees, shareholders, agents, successors and assigns, under or in relation to the Interconnection Agreement for indirect or consequential damages, injury or loss suffered by that other party or its directors, officers, employees, shareholders, agents, successors and assigns, howsoever and whensoever caused, and whether arising in contract or in tort, including loss of profits, loss of revenue, cost of capital, cost of purchased or replacement capacity or energy, and loss of use of any facilities, property or equipment.

4. This Indemnity shall survive any amendment or termination of the Interconnection Agreement and shall enure to the benefit of BC Hydro and its successors and assigns.

DM_VAN/260254-00062/7573085.5

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

IN WITNESS WHEREOF the Indemnitor has executed this Indemnity under seal as of the date first above written.

THE CORPORATE SEAL of)
)
_____)
)
was hereunto affixed in the presence of:) C/S
)
_____)
Authorized Signatory)
)
_____)
Authorized Signatory)

DM_VAN/260254-00062/7573085.5

ACCEPTED: FEB 17 2011

ORDER NO. G 20 '11

COMMISSION SECRETARY

AMENDING AGREEMENT
TO ALTAGAS NORTHWEST PROJECTS UMBRELLA AGREEMENT

THIS AGREEMENT made as of November 30 2010,

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a crown corporation with an office at Suite 1100, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, BC V7X 1V5

("BC Hydro")

AND:

COAST MOUNTAIN HYDRO LIMITED PARTNERSHIP, a limited partnership formed under the laws of British Columbia with an office at Oceanic Plaza, P.O. Box 12510, 2500 – 1066 West Hastings Street, Vancouver, BC V6E 3X1

("CMHLP")

WHEREAS:

A. British Columbia Transmission Corporation ("**BCTC**") and CMHLP entered into the Altagas Northwest Projects Umbrella Agreement (the "**Original Agreement**") made as of May 28, 2010 in respect of the development of, and the terms and conditions of interconnecting the FK Project and the output of the Other Projects to the 287kV System;

B. The Government of British Columbia enacted legislation that effected the transfer of substantially all of BCTC's assets to BC Hydro as of July 5, 2010, including, but not limited to the Original Agreement; and

C. BC Hydro and CMHLP wish to amend the Original Agreement on the terms and subject to the conditions set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants made hereunder and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto hereby agree as follows:

1. **Confirmation.** Other than as expressly amended by the terms of this Agreement, the Original Agreement is hereby confirmed and remains in full force and effect in accordance with its terms

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

2. Interpretation. In this Agreement, any capitalized words or phrases shall, unless otherwise defined herein or unless the context otherwise requires, have the same meaning given to those words or phrases in the Original Agreement.

3. Amendments to Original Agreement. The Original Agreement is hereby amended as follows:

(b) The definition of Decision Date in section 1.1(i) be amended by deleting "December 1, 2010" and replacing it with "March 1, 2011";

(c) Section 5.1(b) be amended by deleting "by the Decision Date";

(d) Subsections 5.1(b)(i), (iv) and (v) be amended by inserting "by December 1, 2010" at the beginning of each subsection;

(e) Subsections 5.1(b)(ii), (iii) and (vi) be amended by inserting "by the Decision Date" at the beginning of each subsection; and

(f) Section 5.1(c) be amended by deleting "by the Decision Date" and replacing it with "by December 1, 2010".

4. Counterparts. This Agreement may be signed in two counterparts (including by facsimile) and each of such counterparts shall constitute an original document and both such counterparts, taken together, shall constitute one and the same instrument and notwithstanding the date of execution will be deemed to bear the date as of the day and year first above written.

5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the province of British Columbia and the federal laws of Canada applicable therein

IN WITNESS WHEREOF the parties have signed, sealed and delivered this Agreement as of the date first written above.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

ACCEPTED: FEB 17 2011

ORDER NO. G 20 11

COMMISSION SECRETARY

LG

COAST MOUNTAIN HYDRO LIMITED PARTNERSHIP, by its General Partners:
COAST MOUNTAIN HYDRO CORP. and **ALTAGAS RENEWABLE ENERGY INC.**

Per: _____ Per: _____
Authorized Signatory Authorized Signatory

Per: _____ Per: _____
Authorized Signatory Authorized Signatory