

CONFIDENTIAL AND PROPRIETARY

INTERCONNECTION AND
OPERATION AND MAINTENANCE AGREEMENT

BETWEEN

AND

GEORGIA TRANSMISSION CORPORATION
(AN ELECTRIC MEMBERSHIP CORPORATION)

FOR THE _____ PROJECT

Effective as of

_____, 20____

**INTERCONNECTION AND OPERATION
AND MAINTENANCE AGREEMENT**

THIS INTERCONNECTION AND OPERATION AND MAINTENANCE AGREEMENT (the “Agreement”) is made effective as of the ____ day of _____, 20__ (the “Effective Date”) by and between _____, a corporation organized and existing under the laws of the State of _____ (“Applicant”), and Georgia Transmission Corporation (An Electric Membership Corporation), a corporation organized and existing under the laws of the State of Georgia (“GTC”) (hereinafter each referred to individually as a “Party” and collectively as “the Parties”).

WITNESSETH:

WHEREAS, Applicant plans to build and own a power generation facility, located in _____, Georgia (the “Facilities”);

WHEREAS, GTC owns certain transmission lines and facilities in Georgia, some of which are located adjacent to the Applicant Facilities Site;

WHEREAS, GTC is a signatory to the Integrated Transmission System Agreement (the “ITSA”) with Georgia Power Company which governs certain rights and obligations of GTC with respect to the Georgia Integrated Transmission System (the “ITS”), and this Agreement is subject to the terms, conditions and operations of the ITSA;

WHEREAS, Applicant has requested and GTC has agreed to interconnect the Applicant Facilities with the GTC electric transmission system (“the GTC System”) in order to provide access to the ITS, and GTC is willing to permit such interconnection; and

WHEREAS, Applicant desires to obtain, and GTC desires to provide, interconnection from the Applicant Facilities to the GTC System under the terms and conditions contained herein;

NOW, THEREFORE, for and in consideration of the premises, the mutual promises and agreements set forth herein and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Applicant and GTC each intending to be legally bound, hereby agree as follows:

ARTICLE I - DEFINITIONS

Whenever used in this Agreement and Appendices hereto, the following terms shall have the following meanings:

- 1.1 Agreement - This Interconnection and Operation and Maintenance Agreement made effective as of _____, 20____, the Effective Date between Applicant and GTC, including all appendices hereto, as amended or modified in accordance with the terms of this Agreement and which are made a part hereof for all purposes.
- 1.2 Ancillary Services- Ancillary Services shall include services that are ancillary to the provision of transmission service, as defined in FERC Order No. 888 or similar FERC orders, which include: Scheduling, System Control and Dispatch Service; Reactive Supply and Voltage Control from Generation Sources Service; Regulation and Frequency Response Service; Energy Imbalance Service; Operating Reserve - Spinning Reserve Service; and Operating Reserve - Supplemental Reserve Service.
- 1.3 Applicant - Applicant, as identified in the first paragraph of this Agreement, including without limitation its employees, agents and permitted successors and assigns.
- 1.4 Applicant Facilities - The electric generation facility to be constructed by Applicant on the Applicant Facilities Site, including generation and related facilities, and including the Applicant Interconnection Facilities.
- 1.5 Applicant Facilities Site - The tract of land located in _____ County upon which the Applicant Facilities and the GTC Interconnection Facilities are to be constructed.
- 1.6 Applicant Interconnection Facilities - The interconnection facilities located on the Applicant's side of the Point of Change of Ownership and described in Appendix A that are part of the Applicant Facilities and that will interconnect the Applicant Facilities with the GTC System. The Applicant Interconnection Facilities shall include but not be limited to, the transformers, distribution lines and related facilities generally described in Appendix A, Paragraph 5.
- 1.7 Energy - Electric energy generated by the Applicant Facilities expressed in megawatt hours.
- 1.8 Event of Default - Has the meaning set forth in Section 6.2.
- 1.9 Effective Date - Shall mean the date specified in Section 1.1, above.
- 1.10 FERC - The Federal Energy Regulatory Commission or any successor agency.

- 1.11 Force Majeure - The occurrence or non-occurrence of any act or event that could not reasonably have been expected and avoided by the exercise of due diligence and foresight and such act or event is beyond the reasonable control of the affected Party relying thereon as justification for its not performing an obligation or complying with any condition required of such Party (or such Party's contractors, subcontractors or agents) pursuant to this Agreement.
- 1.12 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 the lowest 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 a spectrum of acceptable practices, methods or acts generally accepted in the region.
- 1.13 Governmental Authority - Any local, state, regional, federal or national administrative, legal, judicial or executive agency, commission, department or other governmental entity.
- 1.14 GTC - Georgia Transmission Corporation (An Electric Membership Corporation), an electric membership corporation organized and existing under Title 46 of the Official Code of Georgia Annotated, or its designated agent.
- 1.15 GTC Interconnection Facilities - The GTC Substation, the GTC System Protection Facilities and the GTC Metering Facilities, and all other lines, machinery, equipment and related facilities owned, controlled, or operated by GTC from the Point of Change of Ownership that are required to connect the Applicant Facilities to the GTC System, as described in Section 3.2.
- 1.16 GTC Metering Facilities - Those GTC Metering Facilities specified in Appendix B.
- 1.17 GTC Transmission Service Tariff - The Transmission Service Tariff of GTC, as it may be revised or amended from time to time at the discretion of GTC, or at the direction of RUS or other Governmental Authority having lawful jurisdiction.
- 1.18 GTC Substation - The electric substation and switchyard to be located on the GTC side of the Point of Change of Ownership and identified in Appendix A, that will interconnect the Applicant Facilities to the GTC System that will be owned, maintained and operated by GTC.
- 1.19 GTC System - The GTC-owned electric transmission system facilities to which the Applicant Facilities will be interconnected.

- 1.20 GTC System Protection Facilities - The equipment located on the GTC side of the Point of Change of Ownership and identified in Appendix A required to protect (i) the GTC System, the ITS and GTC's firm transmission customers from faults occurring at the Applicant Facilities and (ii) the Applicant Facilities from faults or other adverse effects occurring on the GTC System or on the systems of others to which the GTC System is directly or indirectly connected.
- 1.21 GTC Work - All services and work performed by GTC or its agents or contractors to satisfy its obligations under this Agreement, except that Applicant shall design, procure, construct, install and own the Applicant Interconnection Facilities.
- 1.22 Initial Term - Has the meaning set forth in Article II.
- 1.23 Integrated Transmission System or ITS - The aggregate transmission facilities as defined in the Integrated Transmission System Agreement ("ITSA").
- 1.24 Integrated Transmission System Agreement or ITSA - The Revised and Restated Integrated Transmission System Agreement between GTC (as assignee of Oglethorpe Power Corporation) and Georgia Power Company, dated as of November 12, 1990, and accepted for filing by FERC in Georgia Power Company, Dkt. No. ER91-171-000, 57 FERC ¶ 61,087, order on reh'g, 57 FERC ¶ 61,353 (1991), as the same may be amended, supplemented or substituted by the parties to such agreement from time to time, or a successor agreement or future arrangement affecting the operation of the ITS.
- 1.25 Interconnection Facilities - Collectively the Applicant Interconnection Facilities and the GTC Interconnection Facilities.
- 1.26 NERC - North American Electric Reliability Corporation, or any successor organization thereto.
- 1.27 Operation Date - The day commencing at 12:01 a.m. EPT, following the day during which the GTC Interconnection Facilities have been completed and energized in parallel operation with the Applicant Facilities, the GTC System and the ITS.
- 1.28 Party - Shall mean a party to this Agreement named in the preamble above, and "Parties" shall mean both such parties.
- 1.29 Point of Change of Ownership - The point where the Applicant Interconnection Facilities connect to GTC Interconnection Facilities, identified in Appendix A.
- 1.30 Point of Interconnection - The point identified in Appendix A.
- 1.31 RUS - The Rural Utilities Service of the United States Department of Agriculture, or any Governmental Authority succeeding to the power and function thereof.

- 1.32 SERC - SERC Reliability Corporation, or any successor organization thereto.
- 1.33 System Emergency - Any system stability, power supply or transmission problem, including voltage abnormalities adversely affecting or potentially affecting GTC's native load customers or other firm transmission customers of GTC.
- 1.34 System Impact Study - The study performed by GTC that analyzes the impact on the ITS and the GTC System of interconnecting the Applicant Facilities with such systems.

ARTICLE II - TERM OF AGREEMENT

- 2.1 This Agreement shall bind the Parties as of the Effective Date, subject to and in accordance with the terms and conditions of this Agreement, and shall remain in effect for an initial term of thirty (30) years from the Operation Date (the "Initial Term") unless earlier terminated pursuant to the terms hereof.
- 2.2 Upon the request of either Party, GTC and Applicant shall negotiate in good faith to extend this Agreement beyond the Initial Term upon terms then reasonably acceptable to both Parties. No Party hereto shall seek to terminate this Agreement as a result of a material breach by the other Party hereto without providing the breaching Party written notice and at least thirty (30) days to cure such breach.

ARTICLE III - INTERCONNECTION

- 3.1 Interconnection - GTC shall interconnect the Applicant Facilities with the GTC System in accordance with this Agreement and consistent with Good Utility Practice. Applicant is responsible for complying with all interconnection requirements set forth herein or incorporated by reference. GTC shall own all facilities and equipment on the GTC side of the Point of Change of Ownership, and Applicant shall own all facilities and equipment on the Applicant side of the Point of Change of Ownership, as shown in Appendix A.
- 3.2 GTC Interconnection Facilities
 - 3.2.1 GTC shall design, procure, construct, install, and own the GTC Interconnection Facilities necessary to interconnect the Applicant Facilities to the GTC System, or cause the same to be done. The GTC Substation, the GTC System Protection Facilities and GTC Metering Facilities necessary to interconnect the Applicant Facilities to the GTC System at a nominal voltage of ___ kV are identified and described, as presently known, in Appendix A and Appendix B. Modifications to the Applicant Facilities and the GTC Interconnection Facilities identified and

described in Appendix A and Appendix B may be needed either prior to the Operation Date or after the Operation Date.

- 3.2.2 Applicant shall reimburse GTC for all costs of the design, procurement, construction and installation of the GTC Interconnection Facilities pursuant to Section 3.2.1, for completing the design, procurement, construction and installation and all related costs and expenses, including but not limited to, all legal, administrative, accounting and other costs that GTC would not have incurred but for Applicant's request to interconnect the Applicant Facilities to the GTC System. Applicant shall also be responsible for all costs of any substations, equipment or facilities required to be installed on the ITS at or beyond the Point of Interconnection that would not have been required but for the development and operation of the Applicant Facilities; provided that Applicant shall not be responsible for the costs of any such substations, equipment, or facilities that are required for the interconnection of any new non-Applicant generator or for a capacity addition to an existing non-Applicant generator or for a change or increase in service to native load or transmission service customers. Applicant shall be responsible for all such costs incurred during any period when Applicant Facilities are interconnected with the ITS. GTC shall bill Applicant for such costs in accordance with Section 9.1, and Applicant shall be responsible for payment in accordance with Section 9.1 of this Agreement for all GTC Work. GTC shall perform all GTC Work in accordance with Good Utility Practice.
- 3.3 Right to Cost Information - Applicant shall have the right to receive all information about the costs under this Agreement as it shall reasonably request with respect to the GTC Work, provided, however that GTC need not produce any such information in a form other than that maintained in the ordinary course of its business in accordance with applicable accounting regulations.
- 3.3.1 Availability of Records - For a period of 180 days after Applicant's receipt of any invoice or adjustment to any invoice from GTC for charges incurred under this Agreement, Applicant, or any third party representative of Applicant reasonably acceptable to GTC, shall have the right upon at least five days prior written notice, at Applicant's sole expense and during normal working hours, to examine copies of the records of GTC to the extent reasonably necessary to verify the accuracy of any charge(s) related to such invoice. Notwithstanding the foregoing, GTC shall only be obligated to provide such records to the extent legally permissible and so long as Applicant and any third party representative of Applicant agree to maintain the confidentiality of any records provided by GTC with respect to such audit. In the event an audit is requested by Applicant with respect to such records and those records cannot be disclosed to Applicant as a result of an existing GTC confidentiality

obligation, then to the extent legally permissible, the Parties shall select an independent auditor to perform the audit consistent with the Parties' rights under this Agreement and with such confidentiality arrangements as may be required. Applicant, as the Party requesting the audit, shall pay all costs for any independent auditor retained in accordance with this Section.

- 3.4 Right to Actual Equipment Installed Information Applicant shall provide data from the actual equipment installed (e.g., transformer impedance, generator model, exciter and governor data, protective relaying data, etc., and any changes to the equipment installed, such as transformer tap changes, to GTC). Applicant or its successors shall inform GTC of any future changes to the data.

ARTICLE IV - RIGHTS OF WAY AND ACCESS TO THE APPLICANT PREMISES

- 4.1 Necessary Rights-of-Way - Applicant agrees to furnish at no cost to GTC all necessary rights-of-way upon, over, under and across the Applicant Facilities Site for the construction and the operation of the GTC Interconnection Facilities and shall give GTC free ingress and egress to the extent necessary to the GTC Interconnection Facilities subject to GTC complying with Good Utility Practice and with Applicant's rules for safety and security made known to GTC by Applicant or otherwise known to GTC.
- 4.2 Right to Access - Representatives of GTC or its affiliates shall upon reasonable notice to Applicant and at reasonable times have access to the Applicant Facilities to make reasonable inspections and obtain information required in connection with this Agreement and with the proper functioning of the GTC System and the ITS. At the Applicant Facilities Site, such representatives shall make themselves known to Applicant personnel, state the object of their visit, conduct themselves in a manner that will not unreasonably interfere with the construction or operation of the Applicant Facilities, and adhere to all safety requirements of the Applicant Facilities. GTC will provide reasonable notice for any maintenance of the GTC Interconnection Facilities that may affect the operation of the Applicant Facilities. Such representatives shall have the right to access the Applicant Facilities Site for purposes of: (i) installing, testing, reading, inspecting or repairing any of the GTC Interconnection Facilities or installing, testing, reading, inspecting, altering or removing any of the GTC Interconnection Facilities located on the Applicant Facilities Site, (ii) disconnecting the Applicant Interconnection Facilities from the GTC Substation as permitted under this Agreement, or (iii) determining Applicant's compliance with this Agreement.

Representatives of the Applicant shall upon reasonable notice to GTC and at reasonable times have access to the GTC Interconnection Facilities to make reasonable inspections and obtain information required in connection with this Agreement prior to the Operation Date. At the GTC Interconnection Facilities

site, such representatives shall make themselves known to GTC personnel, state the object of their visit, conduct themselves in a manner that will not unreasonably interfere with the construction or operation of the GTC Interconnection Facilities, and adhere to all safety requirements of the GTC Interconnection Facilities. Applicant will provide reasonable notice for any maintenance of the Applicant Facilities that may affect the operation of the GTC Interconnection Facilities.

ARTICLE V - FACILITY AND EQUIPMENT DESIGN AND CONSTRUCTION

- 5.1 The GTC Interconnection Facilities shall meet all requirements of applicable safety and/or engineering codes, and further, shall meet all requirements of any Government Authority having jurisdiction over such matters. Applicant shall have the right to submit its desired specifications for the GTC Interconnection Facilities to GTC for review prior to construction of the Applicant Facilities in order to insure that connection of the Applicant Facilities to the GTC System is consistent with operational control, reliability and/or safety standards or requirements of the GTC System.
- 5.2 GTC's review of Applicant's specifications for the GTC Interconnection Facilities shall be construed neither as confirming nor as endorsing the design, nor as any warranty as to fitness, safety, durability or reliability of the GTC Interconnection Facilities. GTC shall not, by reasons of such review or failure to review, be responsible for, including but not limited to, details of design, adequacy or capacity of the GTC Interconnection Facilities, nor shall GTC's acceptance be deemed to be an endorsement thereof. Notwithstanding Applicant's submission, GTC shall have sole discretion to determine the appropriate equipment and related facilities for the GTC Interconnection Facilities.

ARTICLE VI - RIGHT TO TERMINATE

- 6.1 Right of Applicant to Terminate
- 6.1.1 Notwithstanding any other provision of this Agreement, Applicant may decide not to interconnect the Applicant Facilities with the GTC System as contemplated by this Agreement and may terminate this Agreement by written notice to GTC prior to the Operation Date, provided that such termination is not effective until the Applicant pays to GTC all costs GTC has incurred or will incur due to the termination for the GTC Work under this Agreement pursuant to Section 9.1
- 6.1.2 The Applicant may terminate this Agreement on or after the Operation Date by giving GTC ninety (90) calendar days advance written notice;

- 6.1.2.1 The Applicant shall be responsible for and pay to GTC all costs incurred by GTC for the GTC Work and any cancellation, penalty or similar costs relating to the cancellation of orders or contracts incurred by GTC because of Applicant's decision to terminate this Agreement;
- 6.1.2.2 The Applicant shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of the GTC Interconnection Facilities;
- 6.1.2.3 The Parties must cooperate to take all appropriate steps to disconnect the Applicant's Facilities from the GTC System prior to the termination date. All costs required to effectuate such disconnection shall be borne by the Applicant;
- 6.1.2.4 Each Party shall grant the other Party access to its lands in accordance with Section 4.2 to the extent reasonably necessary for the other Party to disconnect, remove or salvage its own facilities and equipment;
- 6.1.2.5 In the event of termination under this provision, the Parties shall use commercially reasonable efforts to mitigate the costs, damages and charges arising as a consequence of termination.

6.2 Right of GTC to Terminate - GTC shall have the right to terminate if an Event of Default has not been cured within the time periods set forth in Section 6.2.2.

6.2.1 Event of Default - An Event of Default shall mean:

- (a) Breach of the payment obligation by Applicant pursuant to Section 9.3.
- (b) Breach of any other material obligation of Applicant under this Agreement.

In the event a default is not cured within the time periods under Section 6.2.2, GTC may take actions to terminate this Agreement, the interconnection and all related services under this Agreement.

6.2.2 Right to Cure - For defaults under Section 6.2.1(a), Applicant shall have thirty (30) days from the date the payment is due to cure the default. For defaults of Applicant under Section 6.2.1(b), Applicant shall have sixty (60) days from the first day of notice by GTC of the default to cure such default. GTC shall provide Applicant with notice pursuant to Section 15.7 of such defaults within a reasonable time after GTC becomes aware that the default has occurred.

ARTICLE VII - OPERATION AND MAINTENANCE

- 7.1 Operation and Maintenance Services - GTC shall provide or cause to be provided operation and maintenance services with regard to the GTC Interconnection Facilities (see Appendix B, Section 3), and Applicant agrees to pay for all such costs associated with such operation and maintenance services pursuant to Section 9.1. Applicant shall be responsible for operation and maintenance services for the Applicant Facilities.
- 7.2 No Transmission Services Required - Applicant is not required under this Agreement to acquire any transmission services for the transmission of Energy from the Point of Interconnection to any delivery point pursuant to the terms of the GTC Transmission Service Tariff.
- 7.3 Compliance with Reliability Standards - GTC and Applicant agree that the implementation of this Agreement shall materially comply with the requirements of the manuals, standards and guidelines of NERC and SERC, or any successor agencies assuming or charged with similar responsibilities related to the operation and reliability of the North American electric interconnected transmission grid. To the extent that this Agreement does not specifically address or provide the mechanisms necessary to comply with such NERC or SERC or similar manuals, standards or guidelines, GTC and Applicant hereby agree that both Parties shall provide to the other Party all such information as may reasonably be required to comply with such manuals, standards or guidelines, and shall operate, or cause to be operated, the GTC Interconnection Facilities and the Applicant Facilities, respectively, in accordance with such manuals, standards or guidelines.
- 7.4 Ancillary Services - In association with power generated by Applicant, Applicant retains all rights to sell any electrical output or Ancillary Services from the Applicant Facilities. Unless changed due to NERC, SERC or ITS standards, Applicant shall be obligated when operating the Applicant Facilities to maintain the voltage profile designated by GTC or its agent. The Applicant Facilities shall have the capability of supplying at least .33 Mvars into the Point of Interconnection for each MW supplied into the Point of Interconnection. This capability shall be for continuous rated MW output (summer peak conditions) with test voltages at the Point of Interconnection as specified below.

_____ kV connected units: PU

The Applicant Facilities shall also have the capability of absorbing at least -.23 Mvars at the Point of Interconnection for each MW supplied into the Point of Interconnection. This capability shall be for continuous rated MW output with test voltages at the Point of Interconnection as specified below.

_____ kV connected units: ___PU

Operation within this capability shall not be considered a supply of Ancillary Services. Notwithstanding the above or anything to the contrary in this Agreement, Applicant shall comply with all requests made by the control area security coordinator or its designee during a System Emergency. Any purchase of Ancillary Services by GTC or its affiliates from Applicant shall be pursuant to rates, terms and conditions set forth in a separate agreement.

7.5 Protection and System Quality - GTC may also incur costs of certain GTC System Protection Facilities at or beyond the Point of Interconnection that it would not have incurred but for the operation of the Applicant Facilities. All such costs shall be paid for by Applicant in accordance with Article IX of this Agreement. Applicant shall be responsible for protection of the Applicant Facilities and equipment from conditions such as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage and generator loss-of-field. Applicant shall be solely responsible for provisions to disconnect its generation when a disturbance on the GTC System results in Applicant's generation becoming isolated from generation operated by affiliates of GTC. In accordance with Good Utility Practice, the Applicant Facilities and equipment shall not cause excessive voltage excursions or cause the voltage to drop below or rise above the extent of the range which is maintained by GTC without Applicant's generation. The Applicant Facilities and equipment shall not cause excessive voltage flicker or introduce distortion to the sinusoidal voltage or current waves, and shall otherwise comply with all applicable ITS standards referenced in Appendix C, as such standards may be amended from time to time.

7.6 Generation Imbalances - Applicant shall be responsible for ensuring that sufficient generation resources are scheduled and committed to be on-line to support scheduled deliveries, if any, and that those generation resources scheduled to support scheduled deliveries in fact are on-line to meet any scheduled deliveries. Applicant must demonstrate that it has sufficient generation resources to meet all of its scheduled deliveries, or has acquired generation imbalance service that accounts for both capacity deficiencies and commitment deficiencies in order to support Applicant's scheduled deliveries, if any.

ARTICLE VIII - DELIVERY AND MEASUREMENT OF ELECTRICITY

- 8.1 Voltage Level - All electricity delivered across the Point of Interconnection shall be in the form of three-phase, sixty-hertz alternating current at a voltage of approximately _____ kV.
- 8.2 Machine Reactive Capability - The Applicant Facilities shall be required to have sufficient reactive capability to regulate and maintain system voltage in accordance with applicable NERC, SERC and ITS standards, as amended from time to time, without violating generator terminal voltage limitations of 1.05 and .95 per unit and any station service voltage limits. The reactive capability requirements are described in Section 7.4, and the Applicant Facilities are required to operate freely to its full range of Mvar capability. The Parties also agree that GTC will determine the high-voltage tap(s) of the Applicant Facilities' generator step-up transformers, and Applicant will set the transformers to such tap(s) upon reasonable notice from GTC.
- 8.3 Metering Installation and Inspection - GTC shall install the GTC Metering Facilities identified in Appendix B at Applicant's expense. GTC shall also inspect, read, operate and maintain the GTC Metering Facilities at Applicant's expense.
- 8.3.1 If GTC determines that the GTC Metering Facilities do not satisfy standards established by the American National Standards Institute, Incorporated (or by any similar successor organization), they shall be adjusted, repaired or replaced. If the GTC Metering Facilities fail to register or, upon test, are found to be not within the accuracy standards established in the latest revision of Standard C12.1 (or successor standard) of the American National Standards Institute, Incorporated, an adjustment to bring the GTC Metering Facilities within such accuracy standards shall be made correcting all measurements made by the inaccurate portion of the GTC Metering Facilities for:
- (i) the actual period during which inaccurate measurements were made, if the period can be determined, or if not,
 - (ii) the period immediately preceding the test of the meter equal to one-half the time from the date of the last previous test of the meter; provided, that the period covered by the correction shall not exceed six (6) months.
- 8.3.2 If hourly and/or daily Energy readings are available from Applicant and if such data are requested by GTC, Applicant shall report such information to GTC's representatives, by telephone or other reasonable method as agreed to by GTC or its agents, on a schedule to be agreed upon in writing in accordance with Article VII of this Agreement. Applicant's output

information shall be continuously telemetered to the control center or successor in function designated by GTC in accordance with Appendix B, Section 1. GTC shall specify to Applicant the communication protocol. Such telemetered information shall be maintained as confidential and shall not be disclosed (except as may be required by law, regulation, court of competent jurisdiction or Governmental Authority) by GTC to the wholesale or retail merchant function of any GTC affiliate or to any third party without the expressed written consent of Applicant.

ARTICLE IX - BILLING AND PAYMENT

- 9.1 **Billing Procedures** - Within thirty (30) days after the first day of each month, GTC shall submit an invoice to Applicant for the charges for all costs that have not otherwise been reimbursed by Applicant for the construction and installation of the GTC Interconnection Facilities, and all operation and maintenance costs and all other costs arising under this Agreement. The invoice shall be paid by Applicant within ten (10) days from the date of the invoice. All payments shall be made in immediately available funds payable to GTC, or by electronic funds (fed wire or ACH or similar electronic transfer means approved by GTC) to a designated bank account named by GTC. GTC's current designated bank account information is listed on Appendix E.
- 9.2 **Interest on Unpaid Balances** - In addition to any other rights or remedies, legal or equitable, available to GTC, interest on any unpaid amounts (other than on amounts paid in escrow under Section 9.3) shall be charged up to the maximum rate allowable under applicable Georgia law (O.C.G.A. Section 7-4-2 (a) (1), as amended). 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 GTC.
- 9.3 **Customer Payment Default** - In the event Applicant fails for any reason to make payment to GTC on or before the due date as described above, and such failure of payment is not cured within the time period specified in Section 6.2.2, a default by Applicant shall be deemed to exist. In the event of a billing dispute between GTC and Applicant, GTC will continue to provide all services under this Agreement as long as Applicant tenders all payments in dispute to an independent escrow account in joint legal title of Applicant and GTC at a mutually agreed financial institution pending resolution of the dispute. The interest earned on the escrow account shall be the only interest paid by either Party on unpaid balances while the funds are in escrow.

ARTICLE X - COMMUNICATIONS

Applicant shall maintain satisfactory operating communications in accordance with Good Utility Practice with the dispatcher of the GTC System or representative of such dispatcher, as designated by GTC. The operating communications shall include, but not be limited to, system paralleling or separation, scheduled and unscheduled shutdowns and equipment clearances.

ARTICLE XI - CONTINUITY OF SERVICE

- 11.1 GTC may require Applicant in accordance with Good Utility Practice to curtail, interrupt or reduce deliveries of Energy if such delivery of Energy adversely affects GTC's ability to construct, install, maintain, repair, replace, remove, investigate or inspect any of its equipment or any part of its system. GTC shall use best reasonable efforts to (i) cause such curtailment, interruption or reduction to be made only during non-peak load periods, (ii) mitigate the extent and duration of the disconnection, curtailment, interruption or reduction and (iii) provide any information reasonably requested by Applicant to analyze the event.
- 11.2 Except in the case of a System Emergency, in order not to interfere unreasonably with the other Party's operations, the curtailing, interrupting or reducing Party shall give the other Party reasonable prior notice of any curtailment, interruption or reduction, the reason for its occurrence and its probable duration. In the case of a System Emergency, the curtailing, interrupting or reducing Party shall provide such information as soon as reasonably possible.
- 11.3 Disconnection of Applicant Facilities - If at any time, in the reasonable exercise of GTC's or its operating agent's sole judgment, operation of the Applicant Facilities adversely affects the quality of service to GTC's customers or interferes with the safe and reliable operation of the GTC System or the ITS, GTC or its operating agent may disconnect the Applicant Interconnection Facilities from the GTC Substation until the condition has been corrected. Unless a System Emergency exists or the risk of one is imminent, GTC shall give Applicant reasonable prior notice of its intention to disconnect the Applicant Interconnection Facilities and, where practical, allow suitable time for Applicant to remove or modify the interfering condition. GTC's judgment with regard to disconnection of facilities under this Section 11.3 shall be made in accordance with Good Utility Practice. In the case of such disconnection, GTC shall immediately confer with Applicant regarding the conditions causing such disconnection and its recommendation concerning the timely correction thereof.

**ARTICLE XII - FORCE MAJEURE, INDEMNIFICATION AND LIMITATION
ON LIABILITY**

- 12.1 Force Majeure - Neither GTC nor Applicant will be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement. In no case shall a Force Majeure event excuse any payment obligation of Applicant pursuant to this Agreement.
- 12.2 Indemnification - Applicant shall at all times indemnify, defend and save GTC 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, attorney fees and all other obligations by or to third parties, arising out of or resulting from GTC's performance of its obligations under this Agreement on behalf of Applicant, except in cases of negligence or intentional wrongdoing by GTC. GTC shall give Applicant reasonable prior notice and an opportunity to participate in the defense of such claim.
- 12.3 Limitation on Liability - Neither Party shall be liable to the other for any indirect, incidental, consequential, punitive, multiple, exemplary damages or lost profits arising out of, due to, or in connection with either Party's performance or nonperformance under this Agreement, or any of its obligations herein, whether based on contract, tort, strict liability, warranty or otherwise; provided, however, that nothing in this Section 12.3 shall limit or otherwise affect GTC's rights under Section 12.2 of this Agreement.

ARTICLE XIII - REPRESENTATIONS AND WARRANTIES

- 13.1 Applicant's Representations and Warranties - Applicant represents and warrants that:
- 13.1.1 It is a corporation validly existing and in good standing under the laws of the State of _____, and that it has all requisite power and authority to carry on the business to be conducted by it and to enter into this Agreement and shall maintain such status during the term of this Agreement. The execution and delivery of this Agreement and the performance of Applicant's obligations hereunder have been duly authorized by appropriate Applicant executive authority:

_____.

- 13.1.2 There is no threatened or pending action or proceeding affecting Applicant before any court, governmental agency or arbitrator that could reasonably be expected to materially adversely affect the financial condition or operations of Applicant in a manner that would impair the ability of Applicant to perform its obligations hereunder or purports to affect the legality, validity or enforceability of this Agreement.
- 13.2 GTC's Representations and Warranties - GTC represents and warrants that:
- 13.2.1 It is a corporation duly organized, validly existing and in good standing under the laws of the State of Georgia and has all requisite corporate power and authority to carry on the business presently conducted by it and to enter into this Agreement and shall maintain such status during the term of this Agreement. The execution and delivery of this Agreement and the performance of GTC's obligations hereunder have been duly authorized by GTC and all necessary actions to consummate the transactions and actions contemplated hereunder have been taken.
- 13.2.2 It has taken, or will take at the appropriate time, all necessary steps to obtain approval, if necessary, of this Agreement by RUS.
- 13.3 Representation of Both Parties - The representations and warranties in Section 13.1 and 13.2 shall continue in full force and effect for the term of this Agreement.

ARTICLE XIV - ASSIGNMENT

- 14.1 Consent to Assignment - Neither Party shall voluntarily assign its rights nor delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Party, which consent shall not be unreasonably withheld. Any assignment or delegation made without such required written consent shall be null and void. In addition, notwithstanding the foregoing, (i) GTC may assign this Agreement without prior written consent of Applicant to any wholly owned direct or indirect subsidiary of GTC or to any successor affiliate corporation thereof and (ii) Applicant may assign this Agreement without prior written consent of GTC to any wholly owned direct or indirect subsidiary of Applicant that will own the Applicant Facilities.
- 14.2 Assignment to Facilitate Financing - Notwithstanding the provisions of Section 14.1, Applicant may assign this Agreement to the persons, entities or institutions providing financing or refinancing for the development, design, construction or operation of the Applicant Facilities and if Applicant provides notice thereof to GTC, GTC shall provide notice and reasonable opportunity for such lenders to cure any default under this Agreement, provided, however, that the time to cure shall not be any greater than the time set forth in Section 6.2.2 hereof. If

Applicant makes such an assignment under this Section 14.2, Applicant shall provide written notice to GTC within ten (10) days. Such notice shall include for such financing entity the information required under Section 15.7. GTC shall provide notice of any breaches or defaults to the financing entity at the same time pursuant to the terms of this Agreement. In the event of any foreclosure by such financing entity, the purchasers at such foreclosure or any subsequent purchaser shall, if they request, be entitled to the rights and benefits of (and be bound by the obligation and responsibility of) this Agreement, so long as they are determined by GTC to be an entity entitled to interconnect to the GTC System, and agree to comply with all terms and conditions of this Agreement.

- 14.3 Successors and Assigns - Notwithstanding the foregoing, the provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective Parties.

ARTICLE XV - OTHER PROVISIONS

- 15.1 Governing Law - This Agreement and the rights and duties of the Parties arising out of this Agreement shall be governed by, construed, enforced and performed in accordance with the applicable laws of the State of Georgia without regard to principles of conflicts of law.
- 15.2 Headings Not Affecting Meaning - The descriptive headings of the various Sections and Articles of the Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions hereof.
- 15.3 Amendments - This Agreement may be amended by and only by a written instrument duly executed by each of the Parties hereto.
- 15.4 Waiver - Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter.
- 15.5 Good Utility Practice(s) - GTC and Applicant shall discharge their respective obligations under this Agreement in accordance with Good Utility Practice(s).
- 15.6 Cooperation - Each Party to the Agreement shall reasonably and timely cooperate with the other as to all aspects relating to the performance of their respective obligations under the Agreement, in accordance with the terms hereof.
- 15.7 Notices - 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 to the other may be so given, tendered or delivered, as

the case may be, by depositing the same in any United States Post Office Box with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party by hand or overnight delivery service, or by facsimile transmission followed by one of the preceding forms of delivery at the address set out below or such other address identified by the Party to the other Party in writing:

To GTC: Georgia Transmission Corporation
2100 East Exchange Place
Tucker, Georgia 30084
Attention: Patrick Z. McGovern
Manager, System Services
Phone: 770-270-7940
Fax: 770-270-7450

To Applicant:

Attention:
Phone:
Fax:

- 15.8 RUS Approval - The effectiveness of this Agreement shall be dependent upon obtaining approval, if necessary, of RUS or of any other Governmental Authority having jurisdiction.
- 15.9 Non-liability for Certain Costs - GTC shall not be liable for any costs or damages due to the inability of Applicant or its designated representatives to obtain any licenses or permits relating to Applicant's responsibilities under this Agreement required by any Governmental Authority having jurisdiction over such matters.
- 15.10 Insurance - During the term of this Agreement, Applicant, at its own cost and expense, shall procure and maintain insurance in the forms and amounts acceptable to GTC upon the terms and conditions and at the minimum levels of coverage set forth in Appendix D.
- 15.11 Disclaimer - EXCEPT AS EXPRESSLY SET FORTH HEREIN, GTC EXPRESSLY NEGATES ANY REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO CONFORMITY TO MODELS OR SAMPLES, OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.
- 15.12 Whole Agreement - This Agreement constitutes the entire agreement and understanding between the Parties hereto with reference to the subject matter

hereof and supersedes all prior oral and written understandings and agreements between the Parties. No change or modification as to any of the provisions hereof shall be binding on either Party unless reduced to writing and approved by the authorized officer or agent of Applicant and GTC. The terms and conditions of this Agreement and every Appendix referred to herein shall be amended, as agreed to by the Parties, to comply with changes or alterations made necessary by a valid applicable order of any Governmental Authority, or any court, having jurisdiction hereof. This Agreement may be executed in multiple original counterparts and any counterpart hereof having attached thereto the signatures of both Parties hereto (whether on one page or on separate pages) shall be deemed a fully executed original.

- 15.13 Independent Contractor Status - Nothing in the Agreement shall be construed as creating any relationship between Applicant and GTC other than that of an independent contractor.
- 15.14 Further Assurances - The Parties shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as either may reasonably request from time-to-time in furtherance of the purposes of this Agreement.
- 15.15 No Presumptions - This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.
- 15.16 No Third Party Beneficiaries - This Agreement is for the sole benefit of the Parties hereto and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any provision hereof.
- 15.17 Invalidity - If any provisions of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.
- 15.18 Appendices - Appendix A may need revision after the Effective Date, and the Parties will use reasonable efforts to complete such revision if necessary as soon as practicable. Upon the completion of any such revision by a Party after the date hereof, Appendix A shall be delivered to the other Party for its review and approval, which is not to be unreasonably withheld or delayed.
- 15.19 Survival -- Upon the expiration or termination of this Agreement, the following Sections shall survive the expiration or termination of this Agreement, as indicated: (i) Article 9 shall continue to the extent necessary to provide for billings and payments for all costs incurred hereunder, including all ongoing costs

Applicant is responsible for under Section 7.1 so long as the Applicant Facilities remain interconnected to the GTC System under this Agreement and any final billings and payments pursuant to any termination of this Agreement; (ii) Section 3.3.1, in accordance with its terms; (iii) Sections 4.2 and 6.1.2.4 for a period of no longer than one year; (iv) Section 15.10, to the extent that Applicant Facilities remain; and (v) Sections 12.2, 12.3, 15.1, and 15.9, to the extent that GTC is at risk for any liabilities, claims, or damages arising in respect to this Agreement.

This Agreement includes the following appendices which are attached and incorporated herein:

- Appendix A - GTC Interconnection Facilities and GTC System Protection Facilities
- Appendix B - GTC Metering Facilities, Transformer Loss Responsibility, and Substation Maintenance Requirements
- Appendix C - Compliance with Operating and Related Procedures Established Pursuant to the Integrated Transmission System Agreement
- Appendix D - Insurance Requirements
- Appendix E – Billing and Payment Information

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers effective as of the day and year first written above.

Applicant

By: _____
Name: _____
Title: _____

Georgia Transmission Corporation

By: _____
Name: Keith T. Daniel
Title: Vice President, Transmission Policy

APPENDIX A
GTC INTERCONNECTION FACILITIES
AND GTC SYSTEM PROTECTION FACILITIES

1. NAME AND POINT OF INTERCONNECTION LOCATION:

GTC will construct the _____ (also referred to as the GTC Substation) as part of the GTC Interconnection Facilities.

2. VOLTAGE AT INTERCONNECTION:

The interconnection voltage shall be ____ kV.

3. POINT OF INTERCONNECTION:

The GTC Substation will interconnect to the ITS via _____. The Point of Interconnection will be as identified on the attached diagram in paragraph 8.

4. FACILITIES TO BE FURNISHED BY GTC:

GTC will furnish or caused to be furnished the GTC Interconnection Facilities necessary for interconnection to the ITS. The facilities shall include the complete GTC Substation, including connections to the _____, possible relay and breaker modifications at existing substations, and any additional facilities or equipment needed on the GTC side of the Point of Change of Ownership that is required in accordance with Good Utility Practice.

5. FACILITIES TO BE FURNISHED BY APPLICANT:

Applicant will also provide all Applicant Interconnection Facilities including but not limited to all related facilities located on Applicant's side of the Point of Change of Ownership that are necessary to interconnect the Applicant's electric generation facility to the GTC System.

6. COST RESPONSIBILITY:

Cost responsibility is described in Article III and IX of this Agreement. Estimated costs and completion dates for facilities are shown in the table below.

7. ANTICIPATED COMPLETION DATE AND OTHER RELEVANT FACTORS:

8. **DIAGRAMS:**

See the diagrams below for the Point of Change of Ownership and Point of Interconnection.

APPENDIX B
GTC METERING FACILITIES, TRANSFORMER LOSS RESPONSIBILITY,
AND SUBSTATION MAINTENANCE REQUIREMENTS

1. GTC METERING AND TELEMETERING FACILITIES, AND THEIR MAINTENANCE

The Applicant is connecting directly to the GTC System for the purposes of receiving or delivering capacity and Energy to the GTC System and shall be metered with the standard ITS metering equipment. In addition, for the purposes of securely operating the ITS, telemetry equipment shall be installed. GTC will provide, own, operate and maintain the metering instrumentation and associated equipment required for on site metering and telemetry at Applicant's expense. The Applicant shall comply with all NERC, SERC and ITS policies and procedures, as amended from time to time.

Since Applicant may receive and deliver power and Energy at the same point of interconnection, appropriate metering equipment shall be installed to accurately capture the total Energy received from the GTC System and the total Energy delivered to the GTC System. The metering packages shall be installed to record the net Energy delivered to the GTC System including the generator step-up transformer loss.

The metering equipment installed shall be the standard ITS metering package similar to those currently installed throughout the ITS. The package shall contain appropriate billing accuracy meters, data recorders, and termination and interface equipment to capture the Energy delivered. The instrument transformers (current transformers and voltage transformers) associated with each metering package shall be metering accuracy and shall be dedicated to the metering package. No devices other than the metering package shall be installed in the secondary circuit of these instrument transformers. These instrument transformers shall be installed in such a manner as to provide three phase currents and voltages to each metering package installed. The voltage transformers shall be installed in a grounded wye connection with 120 volts phase to ground voltage supplied to the metering package.

The Energy registered by the meter shall be stored in the meter and the solid state recorder contained in the package. This energy information shall be routinely communicated to GTC or their agent for the purposes of monitoring transmission equipment loading and recording Energy generated or consumed by the Applicant.

Since the Energy delivered will be consistently equal to or greater than one (1) megawatt, telemetry equipment will be installed to monitor the Energy produced and delivered to the GTC System along with the current condition of critical equipment in the GTC Interconnection Facilities. The collected information will be communicated to GTC or their agent.

The telemetry and control system equipment within the Applicant Facilities shall be the responsibility of the Applicant. Where communications with this telemetry and control system equipment is required, the system shall communicate with GTC using an industry standard communications protocol selected by GTC. Where appropriate, the interface to the plant control system may be via hardwired, discrete connections. GTC shall furnish the appropriate protocol description and specifications for implementation by the Applicant.

2. TRANSFORMER LOSS RESPONSIBILITY

A loss factor is associated with each voltage transformation (if any) at the Applicant Interconnection Facilities. The transformer manufacturer calculates this loss factor specifically for each individual transformer at time of construction. These loss factors shall be provided to GTC upon written request and will be used to calculate the “net total energy” delivered to the GTC System as well as the total Energy received from the GTC System. The resultant losses calculated shall be the sole responsibility of the Applicant.

3. GTC MAINTENANCE REQUIREMENTS

GTC has specific operation and maintenance (O&M) procedures detailed in “GTC’s Annual Work Plan for O&M.” These procedures are voluminous and vary based on specific equipment. GTC will allow Applicant to review applicable O&M procedures in GTC’s office by providing adequate notice to schedule such review.

GTC will provide Applicant with the estimated annual O&M costs no later than November 15 for the next calendar year in order for Applicant to review and comment upon the work planned to be done and the estimated costs. GTC will provide a response to such comments. GTC will bill Applicant monthly for actual costs as they are incurred. Any annual true-ups, additional billings or refunds will be handled, as needed. Monthly billing shall include but not be limited to associate wages (including all appropriate administrative, overhead, and other costs); unanticipated corrective O&M costs; property tax and insurance costs; and generator meter reading and translating costs. Unanticipated capital costs will be billed to Applicant separately upon completion of such work and computation of costs.

GTC shall also bill Applicant for a share of GTC’s ITS System Operator and ITS Spare Equipment Pool costs. These will include costs associated with FERC accounts 560, 561, and 566 but that are not otherwise recovered from Applicant by GTC pursuant to the GTC Open Access Transmission Tariff. The share of GTC’s ITS System Operator and ITS Spare Equipment Pool costs along with all other charges will be shown explicitly on the Applicant’s bill.

APPENDIX C
COMPLIANCE WITH OPERATING AND RELATED PROCEDURES
ESTABLISHED PURSUANT TO THE INTEGRATED TRANSMISSION
SYSTEM AGREEMENT

The Parties agree that all applicable ITS operating procedures that have been adopted pursuant to the ITSA, or any successor agreement or future arrangement affecting the operation of the ITS shall govern and control the operation of Interconnection Facilities and the transfer of power from the Applicant Facilities to the ITS. A copy of the applicable ITS operating procedures is available upon request.

APPENDIX D
INSURANCE REQUIREMENTS

1. Applicant covenants with and agrees with GTC to maintain in full force and effect throughout the term of this Interconnection Agreement applicable to the GTC Interconnection Facilities and all services, including operation and maintenance, performed with respect, thereto, the types and minimum dollar amounts of insurance coverage set forth below:
 - (i) Workers' compensation insurance in accordance with State requirements and employer's liability coverage with a limit no less than one million dollars (\$1,000,000) per incident.
 - (ii) Commercial general liability insurance with limits not less than five million dollars (\$5,000,000) per occurrence and in the aggregate. This limit may be made up of any combination of primary and excess liability coverage. Said policy will include coverage for any contractual liability as well.
 - (iii) Automobile liability insurance coverage with limits not less than one million dollars (\$1,000,000) combined single limit.
2. The insurance policy or policies entered into pursuant to this Appendix (other than worker's compensation and automobile liability insurance) shall be endorsed naming GTC or, at the option of GTC, a GTC affiliate, as an additional insured, and shall require thirty (30) days written notice to be given to such named additional insured of cancellation and/or material change in the policy(ies).
3. The insurance coverage described herein shall be primary to any other coverage available to GTC and shall not be deemed to limit Applicant's liability under this Agreement.
4. Applicant shall provide GTC with certificates of insurance as evidence of coverage. Such certificates shall include a statement that coverage will not be reduced or canceled by the carrier without first providing GTC at least thirty (30) days prior written notice.
5. Each agent or subcontractor of Applicant who provides any service for Applicant at/on the GTC Interconnection Facilities shall have the following insurance in place prior to any work being done (i) workers' compensation as required by statute and (ii) general liability insurance, with a two million dollars (\$2,000,000) annual aggregate limit.

6. Applicant may, with the prior written approval of GTC, which approval will not be unreasonably withheld, conditioned or delayed, self-insure any part or all of the above coverage. If it is agreed that Applicant will self-insure any of the above coverage, Applicant will certify to GTC in writing by January 1 of each year during the term of this Agreement stating the events and corresponding amounts for which Applicant is self-insured and stating that it is accepting responsibility for all such losses. In addition, it is agreed that the above paragraphs (2), (3), (4), and (5) do not apply to the self-insured portion of the required coverage.

APPENDIX E
BILLING AND PAYMENT INFORMATION

BANK NAME: _____ Bank, Atlanta Georgia
ABA NUMBER: XXX-XXXX-XX
ACCOUNT NUMBER: XXXXXXXXXX
ACCOUNT TITLE: Georgia Transmission Corporation
(CONCENTRATION ACCOUNT)