

FACILITIES STUDY AGREEMENT

BETWEEN

[CUSTOMER NAME]

AND

PUBLIC SERVICE COMPANY OF COLORADO

DATED: _____

This Study Agreement, dated as of _____, is made and entered by and between _____ (the Transmission Provider), and _____ (the Applicant).

WHEREAS The Transmission Provider is a utility operating company providing electric service in the state(s) of _____; and

WHEREAS, The Applicant has been determined by the Transmission Provider to be an Eligible Transmission Customer under Part I of the Tariff; and to have a Completed Application for either Firm Point-To-Point Transmission Service under Part II of the Tariff, or Network Integration Transmission Service under Part III of the Tariff; and

WHEREAS, The Applicant has provided to the Transmission Provider an Application deposit in accordance with the provisions of either Section 17.3 or Section 29.2 of the Tariff; and

WHEREAS, The Transmission Provider must determine: (a) the adequacy of the Transmission Provider's transmission system to accommodate the Applicant's request for transmission service; and/or (b) any required network upgrades; and/or (c) the estimated costs of direct assignment facilities, network upgrades or opportunity costs associated with providing the requested service.

NOW THEREFORE, In consideration of the mutual agreements set forth below, the Applicant and the Transmission Provider agree as follows:

1.0 Performance of Study

The Transmission Provider agrees to provide all necessary labor, facilities, transportation and supervision necessary to perform the Facility Study for the Applicant to determine necessary additions to the Transmission Provider's transmission system to provide the requested Transmission

Service. The Transmission Provider shall use its sole discretion as to the scope, details and methods used to perform the Study.

The Applicant agrees to compensate the Transmission Provider in accordance with Sections 7.0 and 8.0 of this Study Agreement. The Applicant will provide information as requested by the Transmission Provider.

2.0 Scope of Study

A meeting between the Transmission Provider and the Applicant shall be held as soon as practical after execution of this Agreement to: (a) review the application, the System Impact Study, and any known issue that could affect the scope of the study; and (b) develop a scope of study. The location of the meeting shall be at the Transmission Provider's offices unless another location is mutually agreed to.

The results of the study shall be considered preliminary in nature and shall serve as the basis for detailed engineering design of the identified facilities. The study will identify facilities required to deliver the _____ MW of transmission service, from _____ to _____ for the period of _____ through _____ that the Applicant has requested, the estimated cost to upgrade facilities, and a facilities construction schedule.

The costs to the Applicant and the Transmission Provider shall be based on actual costs as incurred in the design and construction of the identified facilities.

Factors to be considered in determining the facilities to be added to the Transmission Provider's transmission system will include, but not be limited to:

1. System Impact Study results;
2. Load characteristics;
 - a. Demand;
 - b. Pattern;
 - c. Harmonics;
 - d. Transients;
 - e. Flicker; and
 - f. Motor starting needs;

3. Transmission transfer capability of the existing system;
4. Transmission transfer capability on the system after the facilities are added;
5. Reliability of the existing system;
6. Reliability requirements of the Transmission Provider and the Applicant;
7. Power Quality;
8. Cost to the Transmission Provider and the Applicant;
9. Time required to construct the facilities;
10. Type and term of the service requested;
11. The Applicant's requested schedule; and
12. 12. Requirements of any other party whose facilities in the interconnected transmission network are materially affected by the service requested.

3.0 Engineering Standards

The facility design proposed in the study will use 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 the light of the facts known at the time the decision was made, could have been expected to produce the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety and expedience. 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 range of acceptable practices, methods or acts.

In all cases, system addition(s) to the electric supply facilities shall maintain or improve the Transmission Provider's transmission system operation, reliability and transfer capability.

4.0 Schedule for Completion

Upon receipt of an executed Study Agreement, the Transmission Provider will complete the Facilities Study, provide study results to the Applicant within a period not to exceed sixty (60) days from the date of receipt, unless the complexity of the application or the number of applications from others, reasonably requires additional time. If additional time is required, the Transmission Provider shall notify the Applicant on a timely basis and provide an estimate of the time needed to reach a final determination.

5.0 Results of Study

A formal report containing results of the Facilities Study will be issued. The following sections will be included as applicable:

1. Summary;
2. General descriptions of the existing and proposed facilities;
3. Transmission sources;
4. Substation configurations;
5. System capabilities;
6. System reliability;
7. Power quality;
8. Costs to the Transmission Provider and the Applicant;
9. Construction schedule; and
10. Summary of permits, licenses and approvals required for construction to commence.

6.0 Ownership of Results

Reports, summaries, plans and other documents arising out of this Agreement shall become the property of the Transmission Provider. All studies, computer input and output data, planning, operating and other documents, workpapers, assumptions, and any other material that forms the basis for determining the constraints shall remain in the files of the Transmission Provider, but copies shall be made available and supplied to the Applicant if requested.

7.0 Nondisclosure of Information

The Applicant shall consider all information provided by the Transmission Provider and all supporting work papers resulting from the Transmission Provider's performance of the services to be proprietary unless such information is available from public sources. The Applicant shall not publish or disclose proprietary information for any purpose without the prior written consent of the Transmission Provider.

8.0 Information Requests

The Transmission Provider may desire additional information regarding the Applicant's proposed transactions on the Transmission Provider's transmission system. The Applicant shall furnish within ten (10) days, written responses to reasonable requests for information submitted by the Transmission Provider.

9.0 Rates

The Applicant will be charged the current salary or wage rates including overheads for the personnel performing the study. Expenses that are directly chargeable to the study shall be determined by the Transmission Provider. Typical expenses include, but are not limited to:

- Subcontracted services.
- Long distance telephone calls
- Computer operating time at established rate
- Printing and reproduction expense.
- Reasonable travel and living expense.

10.0 Payments

The Applicant shall advance 50% of the estimated cost of the study when the Study Agreement is executed. The remaining actual cost to perform the study shall be due at the completion of the study and review of the study with the Applicant. The Transmission Provider will refund any amount paid by the Applicant in excess of actual costs.

11.0 Notices

All notices hereunder shall be in writing and shall be delivered to the parties at the following addresses:

Transmission Provider:

Applicant:

Such notices shall be deemed to have been served when personally delivered or upon receipt as evidenced by a U.S. Postal Service receipt of mail or evidence of delivery by a private express mail service.

12.0 Choice of Law

This Agreement shall be governed by the laws of the State of

_____.

13.0 Force Majeure

The Transmission Provider shall not be considered to be in default of the provisions of this Agreement if delays in or failure of performance shall be due to uncontrollable forces, the effect of which, by the exercise of reasonable diligence, the Transmission Provider could not avoid. The term uncontrollable forces shall mean any event which results in the prevention or delay of performance by the Transmission Provider of its obligations under this Agreement and which is beyond the control of the Transmission Provider. The term uncontrollable forces includes, but is not limited to, fire, acts of God, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency, or person for any of

the supplies, materials, accesses, or services required to be provided by the Transmission Provider under this Agreement, strikes, work slowdowns, or other labor disturbances, and judicial constraint. The provisions of this article shall not be interpreted or construed to require the Transmission Provider to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. the Transmission Provider shall give timely written notice to the Applicant describing the circumstances of uncontrollable forces which prevent the fulfillment of obligation of this Agreement. The Transmission Provider shall give timely written notice to the Applicant that the uncontrollable forces which prevented the fulfillment of obligations of this Agreement are no longer present and work has resumed on those obligations.

14.0 Indemnity

The Applicant 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, attorney 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 Agreement on behalf of Applicant, except in cases of negligence or intentional wrongdoing by the Transmission Provider.

15.0 Severability

No waiver of any breach of this Agreement shall constitute a waiver of any other breach of the same or any other provisions of this Agreement, and no waiver shall be effective unless granted in writing. In the event that any provision herein shall be illegal or unenforceable, such provision shall be severed from the Agreement. The entire agreement shall not fail, but the balance of the Agreement shall continue in full force and effect.

16.0 Entire Agreement

This Agreement supersedes any and all proposals and/or understandings, oral and written, between the parties hereto and constitutes their sole and only Agreement regarding the Facilities Study provided for herein.

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

Transmission Provider:

By: _____
Name Title Date

Applicant:

By: _____
Name Title Date