

Transmission System Impact Study Agreement

Applicable to:

Project Name: _____
Case ID Number: _____
DER Size (in MW or kW): _____
DER location: _____
Substation applicable to DER application: _____

THIS AGREEMENT is made and entered into this ____ day of _____ 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer"), and Northern States Power Company, a Minnesota corporation, doing business as Xcel Energy ("Area EPS Operator"). Interconnection Customer and Area EPS Operator each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Distributed Energy Resource (DER) or generating capacity addition to an existing DER consistent with the Interconnection Application completed by the Interconnection Customer on _____; and

WHEREAS, the Interconnection Customer desires to interconnect the DER with the Area EPS Operator's electric system;

WHEREAS, under MN DIP 4.3.6, in instances where the System Impact Study shows potential for Transmission System adverse system impacts the Area EPS Operator shall coordinate with the appropriate Transmission Provider (MISO) to have the necessary studies completed to determine if the DER causes any adverse transmission impacts; for the proposed interconnection at issue here there is a potential for Transmission System adverse system impacts; and, MN DIP 4.3.7 provides that in order to remain in consideration for interconnection an Interconnection Customer must return the executed Transmission System Impact Study Agreement within fifteen (15) Business Days;

WHEREAS, MISO and the Area EPS Operator have agreed to a process for MISO to review proposed DER interconnections that show a potential for Transmission System adverse system impacts, called the "MISO Affected System Impact Study Agreement" ("MISO ASIS Agreement");

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Minnesota Distributed Energy Resources Interconnection Procedures (MN DIP.)
- 2.0 The scope of a Transmission System Impact Study shall be subject to the assumptions set forth in this Agreement, the materials provided by the Interconnection Customer as part of the current application, the results of the distribution System Impact Study, and other analysis previously performed by the Area EPS Operator. This Agreement is also subject to the provisions of the MISO ASIS Agreement and should be construed to be consistent with the MISO ASIS Agreement and interpreted to provide for practical implementation of the timelines and other provisions in the MISO ASIS Agreement. The Area EPS Operator reserves the right to request additional technical information from the Interconnection Customer as may

reasonably become necessary consistent with Good Utility Practice during the course of the Transmission System Impact Study to be performed by MISO.

- 3.0 The intent is that the Transmission System Impact Study will consider all DER (and with respect to paragraph 3.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the Transmission System Impact Study is commenced
 - 3.1. Are directly interconnected with the Area EPS Operator's electric system; or
 - 3.2. Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and
 - 3.3. Have a pending higher queued Interconnection Application to interconnect with the Area EPS Operator's electric system.
- 4.0 The proposed interconnection of a DER can be sent to MISO for its review under the MISO ASIS Agreement on the following grounds:
 - 4.1. If the Area EPS Operator believes that the proposed DER may either: 1.) result in new or additional backflow onto the transmission system during peak load conditions at a particular substation; 2.) require a new feeder to allow for interconnection; or 3.) require a MISO System Upgrade to allow for interconnection. Or,
 - 4.2. If the Area EPS Operator believes that the proposed DER might result in new or additional backflow onto the transmission system during daytime minimum load at a particular substation.
- 5.0 If the proposed interconnection of the DER project at issue here is being sent to MISO under paragraph 4.2 above, and not under 4.1, then pursuant to the MISO ASIS Agreement MISO has twenty (20) business days to determine whether it will study the proposed interconnection pursuant to the MISO ASIS Agreement. If MISO does not provide such notification, then no Transmission System Impact Study will be needed in order to allow the DER interconnection application to continue to proceed. If MISO does provide such notification, then, the requirements for deposits and funding of the Transmission System Impact Study detailed in paragraph 6.0 and in the MISO ASIS Agreement apply.
- 6.0 If the proposed interconnection of the DER project at issue here is being sent to MISO under paragraph 4.1, or if under 4.2 above MISO has determined that the DER project needs to be studied under the MISO SISA Agreement, then the Interconnection Customer needs to make the following payments to the Area EPS Operator:
 - 6.1. Within twenty (20) business days of the Area EPS Operator informing the Interconnection Customer that MISO has provided to the Area EPS Operator an invoice of \$60,000 ("Standard Deposit" under paragraph 2.2.4 .2) of the MISO ASIS Agreement), the Interconnection Customer shall pay this amount to the Area EPS Operator, and the Area EPS Operator following this payment will in turn submit this payment to MISO.
 - 6.2. Within twenty (20) business days of the Area EPS Operator informing the Interconnection Customer that MISO has provided to the Area EPS Operator an invoice of \$60,000 ("Standard Deposit"), the Interconnection Customer shall also pay to the Area EPS Operator the estimated costs of the internal resources of the Area EPS Operator (and consultants of the Area EPS Operator, not related to MISO) for participating in and helping to coordinate the work under the MISO ASIS Agreement in the amount of \$_____.
 - 6.3. Within twenty (20) business days of the Area EPS Operator informing the Interconnection Customer that MISO has provided to the Area EPS Operator the amount of the required

“Deposit” under paragraph 2.2.5 of the MISO ASIS Agreement, the Interconnection Customer shall pay this amount to the Area EPS Operator, and the Area EPS Operator following this payment will in turn submit this payment to MISO.

6.4 Under paragraph 3.3 of the MISO ASIS Agreement, MISO shall inform the Area EPS Operator of the actual costs incurred by MISO. Within fifteen (15) business days of the Area EPS Operator informing the Interconnection Customer of MISO’s actual costs, the Interconnection Customer shall pay this amount to the Area EPS Operator, and the Area EPS Operator following this payment will in turn submit this payment to MISO. In the event that the MISO actual costs are less than the Deposit and that MISO owes a refund, then the Area EPS Operator will refund that amount to the Interconnection Customer within twenty (20) business days of receiving this amount from MISO.

6.5 Upon the completion of the Transmission System Impact Study by MISO (or the cancellation of such study for any reason), the Area EPS Operator will send an invoice to the Interconnection Customer reflecting the actual costs of the internal resources of the Area EPS Operator (and consultants of the Area EPS Operator, not related to MISO) for participating in and helping to coordinate the work under the MISO ASIS Agreement, including a summary of professional time. Within 20 business days of such invoice, the Interconnection Customer shall pay any amounts due (less payments made under paragraph 4.2 above. Where a refund to the Interconnection Customer is owed, the Area EPS Operator shall pay that refund within 20 business days of the issuance of this invoice.

6.6 The Area EPS Operator may inform the Interconnection Customer of amounts owed or invoices as referenced above by any commercial reasonable means, such as issuing a Statement of Work (SOW) and posting that SOW on the Area EPS Operator’s application portal for the account pertaining to the proposed DER.

7.0 In order to remain in consideration for interconnection, the Interconnection Customer must timely pay all amounts owed under paragraphs 6.1 through 6.6. Timely payment is of the essence.

8.0 If the DER project is being sent to MISO as part of MISO study that is proposed to include other DER projects intended to interconnect through the same substation, then each of payment set forth in paragraphs 6.1 through 6.3 above still apply to this project. In the event that this results in more deposits received than is appropriate, the Area EPS Operator shall refund such overpayments by allocating pro rata the applicable deposit amounts based the nameplate capacity of each DER project, and provide a refund by the later of 20 business days of the original deadline for the Interconnection Customer to make the payment or date that the payment was made. Similarly, final costs under paragraphs 6.4 and 6.5 shall be allocated pro rata based on nameplate capacity of the DER projects participating in the same substation study.

9.0 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Minnesota. This Agreement is subject to all Applicable Laws and Regulations. The Minnesota Public Utilities Commission has primary jurisdiction for any complaints regarding any breach or enforcement of this Agreement.

10.0 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

11.0 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.0 Waiver

12.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

12.2 Any waiver at any time by either Party of its rights with respect to this Agreement 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 Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Area EPS Operator. Any waiver of this Agreement shall, if requested, be provided in writing.

13.0 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument. Electronic signatures are acceptable.

14.0 No Partnership

This Agreement 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.

15.0 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

16.0 Subcontractors

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

16.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. 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 the Area EPS Operator be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this

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

16.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

17.0 Inclusion of Area EPS Operator Tariffs and Rules

The interconnection services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules applicable to the electric service provided by the Area EPS, which tariff schedules and rules are hereby incorporated into this Agreement by this reference. Notwithstanding any other provisions of this Agreement, the Area EPS Operator shall have the right to unilaterally file with the Minnesota Public Utilities Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, tariff, or rule or any agreement relating thereto. The Interconnection Customer shall also have the right to unilaterally file with the Minnesota Public Utilities Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, tariff, or rule or any agreement relating thereto. Each Party shall be have the right to protest any such filing by the other Party and/or to participate fully in any proceeding before the Minnesota Public Utilities Commission in which such modifications may be considered, pursuant to the Commission's rules and regulations.

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.

<p>Northern States Power Company, a Minnesota corporation (Area EPS Operator)</p>	<p>_____</p> <p>(Interconnection Customer)</p>
<p>Signed: _____</p>	<p>Signed: _____</p>
<p>Name (Printed): _____</p>	<p>Name (Printed): _____</p>
<p>Title: _____</p>	<p>Title: _____</p>