



DIETZE AND DAVIS, P.C.

ATTORNEYS AT LAW
Established in 1972

Peter C. Dietze
Joel C. Davis
Robyn W. Kube
Karl F. Kumli, III*
David J. Thrower
Joel C. Maguire
Renée Ezer*
Stephen A. Closky
Star L. Waring

Siena Square Building
2060 Broadway, Suite 400
Boulder, Colorado 80302
Telephone (303) 447-1375
Fax (303) 440-9036
www.dietzedavis.com

Email: karlk@dietzedavis.com

Tucker M. Katz
Joshua E. Anderson
Mark D. Detsky

Of Counsel:
Carmen S. Danielson

*Also admitted in California

September 22, 2009

Tri-State Generation and Transmission
Association, Inc.
Ron Steinbach, Transmission Policy
Administrator
Senior Vice President
1100 W. 116th Avenue
Westminster, Colorado 80234

VIA HAND DELIVERY

*Re: Revised Open Access Transmission Tariff of Tri-State Generation and Transmission
Association, Inc.*

Dear Ron:

This firm represents the Colorado Independent Energy Association and the Interwest Energy Alliance (the "Power Producers"). The Power Producers request a meeting with Tri-State Generation and Transmission Association, Inc. The purpose of the meeting is to come to agreement upon changes to Tri-State's current, revised Open Access Transmission Tariff ("OATT"). As detailed below, the Power Producers believe that several changes made by Tri-State to its Large Generator Interconnection Procedures ("LGIP") and its Large Generation Interconnection Agreement ("LGIA") do not substantially conform to the *pro forma* OATT propounded by the Federal Energy Regulatory Commission ("FERC" or "the Commission"). These certain changes made by Tri-State will result in undue discrimination against the Power Producers, and specifically against renewable energy generation facilities which may wish to interconnect to Tri-State's transmission control area in either Colorado, Wyoming, New Mexico or Nebraska. The Power Producers are requesting that Tri-State amend its revised OATT in order to comply with FERC Order Nos. 888, 889, 890 and 2003.

Tri-State is subject to FERC jurisdiction by virtue of its reciprocity filings.

As a non-public cooperative utility financed via the Rural Utility Service, Tri-State is a non-jurisdictional utility under the Federal Power Act. See Order 888, ¶ 31,036 at 31,858. However, Tri-State has submitted to the jurisdiction of the Commission under its "safe harbor" jurisdiction in order to receive reciprocity from neighboring utilities' transmission service and in order to receive approval for its participation in WestConnect. See WestConnect, 124 FERC P 61,240, (September 18, 2008). In Decision No. NJ01-4-000, the Commission found that Tri-State agreed

to be bound by the Commission's standards of conduct and orders related to the prevention of undue discrimination in the provision of transmission service comparable to that of a public utility. Tri State Generation and Transmission Association, 96 FERC P 61268 at ¶ 2, (September 12, 2001). Further, under FERC Order 890, Tri-State must re-file its revised OATT with the Commission in order to continue to receive reciprocity treatment. Order 890, at ¶ 191; Id. at FN 113. When Tri-State submits this mandatory filing, the Commission's analysis will include a review of Tri-State's revised LGIP and LGIA. Id. at 842. If Tri-State does not file its revised OATT, FERC may also review Tri-State's transmission practices under Federal Power Act §211(A). Order 890, at ¶441. Additionally, if Tri-State's transmission procedures affect the rates at which the jurisdictional utilities charge their customers, then Tri-State's transmission practices may also be reviewed by the Commission on those grounds. 124 FERC P 61240, at ¶14.

The Power Producers are aware that Tri-State has undertaken transmission reform in order to alleviate the backlog in its interconnection queue and allow for the quicker processing of viable projects that seek interconnection. Our analysis of Tri-State's revised OATT, however, has found that the revised OATT is legally deficient in several key areas that must be reconciled in order for the Power Producers to avoid having to proceed with alternate options for safeguarding market access to Tri-State's transmission control area.

Necessary Changes to Tri-State's Revised OATT.

The Power Producers believe that the following sections of Tri-State's LGIP and LGIA must be revised or eliminated in order to alleviate the potential undue discrimination to independent power producers who wish to gain market entry and establish Energy Resource Interconnection Service with Tri-State to facilitate power market transactions between IPPs and neighboring utilities. A list of the specific provisions discussed below is attached to this letter as ATTACHMENT A.

1. Treatment of Network Resources as compared to Energy Resources.

The first enumerated central tenet of FERC Order 2003 was to "limit opportunities for Transmission Providers to favor their own generation." FERC Order 2003, at ¶12. New LGIP section 7.1.1 and related provisions concerning queue position (e.g., §4.1) grant expedited preference to Network Resources in the processing of interconnection requests. Tri-State must remove section 7.1.1 in order to provide comparable service and access to market participants as is provided to their Network Resources in order to comply with FERC Order 2003.

With regard to the section 7.1.1 requirement of having achieved a purchase power agreement, the condition precedent to receiving expedited queue processing does not make legal or practical sense. As applied to surrounding utilities, Tri-State is creating a situation that will be unduly discriminatory to renewable energy facility customers as well as to merchant generation facilities. As Tri-State is aware, Colorado and surrounding states are not served by an Independent System Operator or Regional Transmission Operator. Such entities may justifiably

advance projects that may connect with utilities purchasing power. However, in this instance Tri-State is itself a power purchaser, and so will be able to favor its own projects. Additionally, because of solar and wind resource availability, neighboring utilities will increasingly depend on renewable resources located within Tri-State's control area. Because these utilities require transmission cost analysis as part of their project screening, Tri-State's revised LGIP will result in restriction of those projects' ability to reach network loads of neighboring utilities. This will result in undue discrimination toward neighboring utilities. Because projects that are impeded by operation of Tri-State's section 7.1.1 otherwise may be able to provide a lower delivered cost of power than projects not within Tri-State's control area, Tri-State's tariff would result in rate impacts that are under the Commission's jurisdiction. Merchant power producers, who are not required to enter into a power purchase agreement in order to develop projects, will also face undue discrimination as viable projects could nevertheless be bypassed due to the preference expressed via section 7.1.1.

2. Suspension provision in LGIA.

Tri-State's revised OATT has removed the right of an Interconnection Customer to suspend the LGIA as contemplated in the *pro forma* LGIA approved by the Commission. Tri-State has inserted language in LGIA ¶5.14 indicating that suspension may only occur due to force majeure occurrence that is presented by the Interconnection Customer and accepted and approved by Tri-State. By contrast, the *pro forma* LGIA suspension provision, at ¶5.16, reserves the right of suspension to the Interconnection Customer without the need for transmission provider approval.

By changing a reserved right to an extremely selective emergency-type situation that must be approved by Tri-State, the revised Tri-State LGIA severely hampers independent power producers, especially renewable energy providers that require a large land footprint and can involve significant challenges not faced by conventional generators that may require suspension of an LGIA. Such an onerous restriction to market entry stifles the viability of projects. Further, disallowing the right of a project going forward with interconnection to suspend the LGIA does not address the problems for which Tri-State has stated necessitates a change to its OATT. The Power Producers note that both the *pro forma* LGIA and the Tri-State LGIA contain force majeure provisions separate from the suspension provision. Adding a force majeure condition to the suspension provision therefore negates the purpose of the suspension provision and makes redundant and inapplicable the actual force majeure provision provided by the *pro forma* tariff. Tri-State's revised suspension provision operates as an unreasonably discriminatory barrier to interconnection which is both unfair and out of compliance with the *pro forma* tariff.

3. System Impact Study and Facility Milestones.

The *pro forma* tariff includes a two-step process to an Interconnection Facilities Study, with step one introducing a Feasibility Study (Section 6) and step two introducing the System Impact Study (Section 7). Tri-State's revised OATT has eliminated the Feasibility Study from its OATT. Tri-State asserts that its revised procedure will not harm Power Producers because

companies may determine feasibility on their own. Eliminating the feasibility study step of the *pro forma* LGIP, however, will have the practical result of increasing costs to Power Producers. Power Producers will still have to invest the resources necessary to evaluate feasibility while increasing risk because the transmission provider will not be reviewing those evaluation analyses. Further, by committing to robust studies as a first step in the Tri-State interconnection process, both Tri-State and Power Producers will fuel increase costs and uncertainty as a result of the revised LGIP. If Tri-State's goal is to move through its backlog of queue requests in a more thorough and expedited fashion, a less expensive and quicker initial Feasibility Study is better calculated to accomplish that purpose.

The Power Producers note that the *pro forma* tariff allows for modifications of the proposal as a result of the Feasibility Study, which allows projects to be assessed in a timely, accurate and consistent fashion. Tri-State's limitations further discriminate against projects that would, under the *pro forma* tariff, be allowed to make adjustments as a result of the feasibility study, or decrease project size. See Sections 4.4.1, 4.4.2, 4.4.3 and Section 6.1 of the *pro forma* LGIP.

The concepts of single interconnection service and new requirements for facility study appear to be contrary to Tri-State's goal of advancing queue reform. In addition, Tri-State's revisions to the *pro forma* pattern of project and study development will require Tri-State to present the Commission a plan that takes rights away from projects that have not already been selected by Tri-State. At the same time, Tri-State has drastically increased its required deposit amounts above those supported by the *pro forma* tariff in Sections 3.3.1 and 5.1. While there are instances when increased deposit amounts have been allowed by the Commission, Tri-State's situation is not analogous to those tariffs. In addition, Tri-State includes the amorphous and unidentified "administration" costs over and above those required for Interconnection Studies and limits the refundability of those costs over that approved in the *pro forma* tariff.

The combination of these requirements means that an independent renewable energy generation facility, if not pre-selected by Tri-State to be a Network Resource, will face derailment of its project if it does not risk capital resources to participate in a sped-up and revamped study regime that does not allow for initial screening, but instead plays by an unduly discriminatory system of exaggerated deposits and onerous requirements based on a first-come, first-serve single interconnection study. Such a system will face a heavy burden to show substantial compliance with the *pro forma* tariffs approved by the Commission.

The Power Producers note that Tri-State's revised OATT has also eliminated the liquidated damages provision included in ¶5.3 of the *pro forma* LGIA for non-performance by the transmission provider. Lack of a liquidated damages provision is in contravention of the remedies provided by the *pro forma* tariff and exposes Tri-State to significant liability as well.

The Power Producers believe that Tri-State should add additional provisions that generally support clustering of studies, rather than the continuation of serial study practices. Cluster studies cut down on administrative costs and improve the analysis of the backlog of requests in

the interconnection queue, and therefore dovetail with Tri-State's stated goals of its OATT revision.

Conclusion

Adequate grounds exist for Tri-State to submit its revised LGIP and LGIA to the Commission's jurisdiction or for the Power Producers to initiate a complaint pursuant to the Commission's rules of practice and procedure. However, the Power Producers wish to resolve their concerns via a negotiated settlement and revision of the OATT posted on May 22, 2009.


In order to maintain reciprocity "safe harbor" status with the Commission's approval, Tri-State must petition the FERC for a declaratory order that its revised OATT filing, including its LGIP Interconnection Agreement, is non-discriminatory under FERC Orders 888 and 890. To receive FERC approval, Tri-State must show that the revised LGIP and LGIA substantially conform to or are superior to, the Final Rule LGIP and Final Rule LGIA *pro forma* tariffs. In addition, the LGIP must be comparable or exceed the requirements of the Commission's non-discriminatory standards and the *pro forma* tariffs under FERC Order 2003.

For the above-stated reasons, the Power Producers believe that Tri-State's revised OATT in its current iteration will not meet those standards. A satisfactory resolution would be one that allows energy resources to be treated on an equal footing with network resources and puts Tri-State's tariff substantially comparable to the *pro forma* tariff, so as to encourage market entry. The Power Producers believe that such a resolution is possible while addressing Tri-State's concerns to remove the backlog of its interconnection queue and ensure that viable projects are expedited through the queue process.

Please contact me at your earliest convenience to discuss any part of this letter or to discuss setting up a meeting between Tri-State and the Power Producers. Thank you for your attention to this matter.

Sincerely,

DIETZE AND DAVIS, P.C.



Karl F. Kumli, III
Mark D. Detsky

Enclosure

cc: Nick Muller, Executive Director, Colorado Independent Energy Association
Craig Cox, Executive Director, Interwest Energy Alliance
Kenneth Reif, General Counsel, Tri-State Generation and Transmission Association, Inc.

ATTACHMENT A to LETTER DATED September 22, 2009

Language differences are underlined or *italicized*.

1. LIMITATION TO NETWORK RESOURCES FOR INTERCONNECTION SERVICES FOR MARKET PARTICIPANTS

A. §7.1.1

TRI-STATE:

7.1.1 Prior to commencement of the System Impact Study, an Interconnection Customer may provide (i) reasonable evidence, such as a letter of intent, between the Interconnection Customer and a Network Customer to designate the Generating Facility as a Network Resource, or (ii) a power purchase agreement or letter of intent between the Interconnection Customer and a power purchaser to enter into a power purchase agreement. Such indicia of project readiness shall enable Transmission Provider to commence the study on an expedited basis, in line with work already in progress.

PRO FORMA

No comparative provision.

B. §4.1

TRI-STATE

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 3.3.3, then Transmission Provider shall assign Interconnection Customer a Queue Position based on the date 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 System Impact Studies subject to Section 7.1.1. 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.

PRO FORMA

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 3.3.3, then Transmission Provider shall assign Interconnection Customer a Queue Position based on the date 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.

2. SUSPENSION

A. §5.14 / §5.16

TRI-STATE

5.14 Suspension for Force Majeure Event.

5.14.1 Suspension. If a Force Majeure event occurs that may impact the construction of Facilities identified in Appendix A, Interconnection Customer must provide documentation to the Transmission Provider describing the event and the basis for a request for Suspension. If the documentation is acceptable to the Transmission Provider, the Transmission Provider, shall suspend at any time all work, or otherwise agreed upon work, by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA 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 LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Transmission Provider required under this LGIA pursuant to this Article 5.14, and has not requested Transmission Provider to recommence the work required under this LGIA on or before the expiration of three (3) years following commencement of such suspension, this LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

PRO FORMA

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 LGIA 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 LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of*

persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work by Transmission Provider required under this LGIA pursuant to this Article 5.16, and has not requested Transmission Provider to recommence the work required under this LGIA on or before the expiration of three (3) years following commencement of such suspension, this LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

B. §16.1

TRI-STATE

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 labor disturbance.

PRO FORMA

Provision is identical.

C. Force Majeure definitions are identical in §1

Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

3. SYSTEM IMPACT STUDY AND FACILITY MILESTONES

A. §4

TRI-STATE

4.4.1 Prior to the return of the executed Interconnection System Impact Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) modifying the technical parameters associated with the Large Generating Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (b) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purpose of study analysis.

4.4.2 Prior to the return of the executed Interconnection Facilities Study Agreement to Transmission Provider, modifications permitted under this Section shall include specifically: (a) a decrease in electrical output pursuant to alternatives considered in the System Impact Study; and (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

PRO FORMA

4.4.1 Prior to the return of the executed Interconnection System Impact 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; (b) modifying the technical parameters associated with the Large Generating Facility technology or the Large 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.

4.2 Prior to the return of the executed Interconnection Facility Study Agreement to Transmission Provider, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), and (b) Large Generating Facility technical parameters associated with modifications to Large Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer.

4.4.3 Pro forma allows changes pursuant to 6.1

B. §6

TRI-STATE

Section 6. Interconnection Feasibility Study, instead has Section 6. Compliance with Reliability Standards

Interconnection Customer shall comply with all applicable NERC and Applicable Reliability Council Reliability Standard Requirements mandated by FERC, pursuant to Section 215 of the Federal Power Act.

PRO FORMA

6.1 Interconnection Feasibility Study Agreement.

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 signed by Transmission Provider, 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 \$10,000 deposit no later than thirty (30) Calendar Days after its receipt. On or before the return of the executed Interconnection Feasibility Study Agreement to Transmission Provider, Interconnection Customer shall provide the technical data called for in Appendix 1, Attachment A. 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 Restudies shall be completed pursuant to Section 6.4 as applicable. 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 3.3.4, 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 LGIP and apply the \$10,000 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. 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 LGIA or requested that an unexecuted LGIA be filed with FERC. 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 nonbinding 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. Transmission Provider shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than forty-five (45) Calendar Days after Transmission Provider receives the fully executed Interconnection Feasibility Study Agreement. 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.

6.3.1 Meeting with Transmission Provider.

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.

6.4 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. Such Re-Study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of Re-Study shall be borne by the Interconnection Customer being restudied.

C. §3.3.1

TRI-STATE

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a deposit of (a) \$125,000 for projects 75 MW or less, or (b) \$250,000 for projects greater than 75 MW; \$25,000 of said deposit shall be non-refundable if Interconnection Customer withdraws or is required to withdraw its Interconnection Request in accordance with Section 3.6, (ii) a completed application in the form of Appendix 1, including data required in Attachment A to Appendix 1, and (iii) demonstration of Site Control of at least fifty percent (50%) of sufficient land area to support the size and type of Generating Facility proposed. Deposit shall be applied toward administration of the Interconnection Request and any required Interconnection Studies.

Projects larger than 75 MW may extend the In-Service Date from 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.

PRO FORMA

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 1, and (iii) demonstration of Site Control or a posting of an additional deposit of \$10,000. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. *If Interconnection Customer demonstrates Site Control within the cure period specified in Section 3.3.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.*

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.