

Part IX, Subpart I
Form of Surplus Interconnection Service Study Agreement

DRAFT

**Form of
Surplus Interconnection Study Agreement**
(Project Identifier # [redacted])

RECITALS

1. This Surplus Interconnection Study Agreement (the “Agreement”), dated as of [redacted], is entered into, by and between [redacted] (“Surplus Project Developer”) and PJM Interconnection, L.L.C. (“Transmission Provider”) (individually referred to as a “Party,” or collectively referred to as the “Parties”) pursuant to the Generation Interconnection Procedures (“GIP”) set forth in PJM Interconnection, L.L.C. Open Access Transmission Tariff (“Tariff”), Part {[instruction: {use Part VII if this is a transition period Agreement subject to Tariff Part VII} {use Part VIII if this a new rules Agreement subject to Part VIII}]}. Capitalized terms used in this agreement, unless otherwise indicated, shall have the meanings ascribed to them in the Tariff.
2. By submitting this Agreement and complying with GIP, sections [to be provided], the Surplus Project Developer has submitted a Surplus Interconnection Request. In accordance with Tariff, section [to be provided], the Surplus Project Developer has also submitted with this Agreement the applicable required deposit to the Transmission Provider.
3. By submitting this Agreement to the Transmission Provider, the Surplus Project Developer requests to utilize Surplus Interconnection Service on the Transmission System of an existing Generating Facility with the following specifications:
 - a. Identification of the specific, existing Generating Facility already interconnected to the PJM Transmission System providing Surplus Interconnection Service, including whether the Surplus Project Developer requesting Surplus Interconnection Service is the owner or affiliate of the existing Generating Facility, and details regarding the existing Generating Facility’s current Generator Interconnection Agreement or Interconnection Service Agreement (“Service Agreement”).

If the Surplus Project Developer is an unaffiliated third party, the Surplus Project Developer must submit with this Agreement the following information and documentation acceptable to the Transmission Provider:

- i. Name and address of the current owner of the existing Generating Facility, including details specific to the existing Generating Facility’s most current Service Agreement, including the Service Agreement Number:

ii. Written evidence from the owner of the existing Generating Facility granting Surplus Project Developer permission to utilize the existing Generating Facility's unused portion of Interconnection Service established in the existing Generating Facility's Service Agreement; and

iii. Written documentation stating that the owner of the surplus generating unit and the owner of the existing Generating Facility will have entered into, prior to the owner of the existing Generating Facility executing a revised Generator Interconnection Agreement, a shared facilities agreement between the owner of the existing Generating Facility and the owner of the surplus generating unit detailing their respective roles and responsibilities relative to the Surplus Interconnection Service.

b. Evidence of ownership interest in, or right to acquire or control, the surplus generating unit site for a minimum of three years, such as a deed, option agreement, lease or other similar document acceptable to the Transmission Provider. Include both a written description of the evidence to be relied upon and attach a Word or PDF version copy thereof.

c. Location of proposed surplus generating unit site or existing surplus generating unit (include both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the surplus generating unit site):

d. The megawatt size of the proposed surplus generating unit or the amount of increase in megawatt capability of an existing surplus generating unit.

e. Identify the fuel type of the surplus generating unit or upgrade thereto:

f. A PDF format attachment of the site plan/single line diagram together with a description of the equipment configuration, including a set of preliminary electrical design specifications, and if the surplus generating unit is a wind generation facility, then also submit a set of preliminary electrical design specifications depicting the wind generation facility as a single equivalent generator:

g. Planned date the new surplus generating unit (or increase in megawatt capability of an existing surplus generating unit) will be in service:

h. Other related information, including for example, but not limited to, identifying: all of Surplus Project Developer's prior Interconnection Requests or Surplus Interconnection Requests; and stating whether the Surplus Project Developer has submitted a previous Surplus Interconnection Request for this particular project:

i. Describe the circumstances under which Surplus Interconnection Service will be available at the existing Point of Interconnection:

j. If any Energy Storage Resource, the primary frequency response operating range for a surplus generating unit:

Minimum State of Charge: _____; and

Maximum State of Charge: _____.

PURPOSE OF THE SURPLUS INTERCONNECTION STUDY

4. Consistent with GIP, section [to be provided], the Transmission Provider shall conduct a Surplus Interconnection Study to provide the Surplus Project Developer with a determination of whether the surplus generating unit is eligible for Surplus

Interconnection Service. In the event that the Transmission Provider is unable to complete the Surplus Interconnection Study within the timeframe prescribed in GIP, section **[to be provided]**, the Transmission Provider shall notify the Surplus Project Developer and explain the reasons for the delay.

5. The Surplus Interconnection Study conducted hereunder will provide only a sensitivity analysis based on the data specified by the Surplus Project Developer in its Surplus Interconnection Request. The Surplus Interconnection Study necessarily will employ various assumptions regarding the Surplus Interconnection Request, other pending New Service Requests and PJM's Regional Transmission Expansion Plan at the time of the study. The Surplus Interconnection Study will not obligate the Transmission Provider or the Transmission Owner(s) to interconnect with the Surplus Project Developer or construct any facilities or upgrades.

CONFIDENTIALITY

6. The Surplus Project Developer agrees to provide all information requested by the Transmission Provider necessary to complete the Surplus Interconnection Study. Subject to Paragraph 7 of this Agreement and to the extent required by GIP, section **[to be provided]**, information provided pursuant to this Paragraph 6 shall be and remain confidential.
7. Until completion of the Surplus Interconnection Study, the Transmission Provider shall keep confidential all information provided to it by the Surplus Project Developer. Upon completion of the Surplus Interconnection Study and, to the extent required by Commission regulations, will be made publicly available upon request, except that the identity of the Surplus Project Developer shall remain confidential.
8. Surplus Project Developer acknowledges that, consistent with the Tariff, the Transmission Provider may contract with consultants, including the Transmission Owners, to provide services or expertise in the Surplus Interconnection Study process and that the Transmission Provider may disseminate information to the Transmission Owners.

COST RESPONSIBILITY

9. The Surplus Project Developer shall reimburse the Transmission Provider for the actual cost of the Surplus Interconnection Study. The deposit paid by the Surplus Project Developer described in Paragraph 2 of this Agreement shall be applied toward the Surplus Project Developer's Surplus Interconnection Study cost responsibility. The Surplus Project Developer shall be responsible for and must pay all actual study costs. If at any time the Transmission Provider notifies the Surplus Project Developer of estimated additional study costs, the Surplus Project Developer must pay such estimated additional study costs within twenty (20) Business Days of Transmission Provider sending the Surplus Project Developer notification of such estimated additional study costs. If the Surplus Project Developer fails to pay such estimated additional study costs within twenty (20) Business Days of Transmission Provider sending the Surplus Project

Developer notification of such estimated additional study costs, then the Surplus Interconnection Request shall be deemed to be terminated and withdrawn.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

10. In analyzing and preparing the Surplus Interconnection Study, the Transmission Provider, the Transmission Owner(s), and any other subcontractors employed by the Transmission Provider shall have to rely on information provided by the Surplus Project Developer and possibly by third parties, including the owner of the existing Generating Facility, and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER, THE TRANSMISSION OWNER(S), NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY THE TRANSMISSION PROVIDER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE SURPLUS INTERCONNECTION STUDY. The Surplus Project Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder. Neither this Agreement nor the Surplus Interconnection Study prepared hereunder is intended, nor shall either be interpreted, to constitute agreement by the Transmission Provider or the Transmission Owner(s) to provide any transmission or interconnection service to or on behalf of the Surplus Project Developer either at this point in time or in the future.
11. In no event will the Transmission Provider, Transmission Owner(s) or other subcontractors employed by the Transmission Provider be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, whether under this Agreement or otherwise, even if the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider have been advised of the possibility of such a loss. Nor shall the Transmission Provider, Transmission Owner(s), or other subcontractors employed by the Transmission Provider be liable for any delay in delivery or of the non-performance or delay in performance of the Transmission Provider's obligations under this Surplus Interconnection Study Agreement.

Without limitation of the foregoing, the Surplus Project Developer further agrees that Transmission Owner(s) and other subcontractors employed by the Transmission Provider to prepare or assist in the preparation of any Surplus Interconnection Study shall be deemed third party beneficiaries of this provision entitled "Disclaimer of Warranty, Limitation of Liability."

MISCELLANEOUS

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

Transmission Provider

PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403
interconnectionagreementnotices@pjm.com

Surplus Project Developer

- 13. No waiver by either Party of one or more defaults by the other in performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.
- 14. This Agreement or any part thereof, may not be amended, modified, or waived other than by a writing signed by all Parties hereto. Parties acknowledge that, subsequent to execution of this agreement, errors may be corrected by replacing the page of the agreement containing the error with a corrected page, as agreed to and signed by the parties without modifying or altering the original date of execution or obligations contained therein.
- 15. This Agreement shall be binding upon the Parties hereto, their heirs, executors, administrators, successors, and assigns.
- 16. Neither this Agreement nor the Surplus Interconnection Study performed hereunder shall be construed as an application for service under Tariff, Part II or Tariff, Part III.
- 17. The provisions of the GIP that relate to Surplus Interconnection Service are incorporated herein and made a part hereof.
- 18. **Governing Law, Regulatory Authority, and Rules**

This Agreement shall be deemed a contract made under, and the interpretation and performance of this Agreement and each of its provisions shall be governed and construed in accordance with, the applicable Federal and/or laws of the State of Delaware without regard to conflicts of laws provisions that would apply the laws of another jurisdiction. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

- 19. **No Third-Party Beneficiaries**

Except as stated in Paragraph 11 of this Agreement, 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.

20. **Multiple Counterparts**

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

21. **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.

22. **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.

23. **Reservation of Rights**

The Transmission Provider shall have the right to make a unilateral filing with the Federal Energy Regulatory Commission ("FERC") to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Surplus Project Developer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered.

CERTIFICATION

By initialing the line next to each of the following required elements, Surplus Project Developer hereby certifies that it has submitted with this executed Agreement each of the required elements (if this Surplus Interconnection Request is being submitted electronically, each of the required elements must be submitted electronically as individual PDF files, together with an electronic PDF copy of this signed Agreement):

_____ Specification of the location of the proposed surplus generating unit site or existing surplus generating unit (including both a written description (e.g., street address, global positioning coordinates) and attach a map in PDF format depicting the property boundaries and the location of the surplus generating unit site)

_____ If the Surplus Project Developer is an unaffiliated third party, the information and evidence set forth in Paragraph 3(a)(i) – (iii) of this Agreement

Evidence of an ownership interest in, or right to acquire or control the surplus generating unit site

_____ The megawatt size of the proposed surplus generating unit or the amount of increase in megawatt capability of an existing surplus generating unit

_____ Identification of the fuel type of the proposed surplus generating unit

_____ Description of the equipment configuration and a set of preliminary electrical design specifications, and, if the surplus generating unit is a wind generation facility, then the set of preliminary electrical design specifications must depict the wind plant as a single equivalent generator

_____ The planned date that the proposed surplus generating unit (or increase in megawatt capability of an existing surplus generating unit) will be in service

_____ All additional information prescribed by the Transmission Provider in the PJM Manuals

_____ The full amount of the required deposit

IN WITNESS WHEREOF, the Transmission Provider and the Surplus Project Developer have caused this Agreement to be executed by their respective authorized officials.

Transmission Provider: PJM Interconnection, L.L.C.

By: _____
Name Title Date

Printed Name

Surplus Project Developer: [Name of Party]

By: _____
Name Title Date

Printed Name

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