



**Service Agreement for
Transmission Interconnection
System Impact Study**

This System Impact Study Agreement (“Agreement”), dated as of _____, (“Effective Date”), is made and entered into by and between Great River Energy, a Minnesota cooperative corporation (the “Transmission Owner” or “GRE”) whose address is 12300 Elm Creek Blvd., Maple Grove, MN 55369, and _____ (“Requestor” or “Transmission Customer”) whose address is _____. For purposes of this Agreement, “Party” shall mean Transmission Owner or Requestor, and “Parties” shall mean Transmission Owner and Requestor.

Background

- A. Transmission Owner is an electric cooperative utility engaged in the business of generating, transmitting, and selling electric power and energy in the States of Minnesota, North Dakota and Wisconsin.
- B. Transmission Owner operates an integrated electric transmission system (“Transmission System”).
- C. Requestor is an eligible Transmission Customer that submitted to the Transmission Owner on _____, a request (“Request”) to connect its load to Transmission Owner’s Transmission System through the establishment of a new point of interconnection (“Point of Interconnection”).
- D. Transmission Owner agrees to perform a System Impact Study (“SIS”) to evaluate the impact on the Transmission System of the establishment of the requested new Point of Interconnection, including providing a list of the required network modifications and upgrades to the Transmission System (“Transmission System Upgrades”) and an estimate of the costs and construction timeline to accommodate the interconnection request.
- E. Upon execution of this Agreement and Transmission Owner’s receipt of the Requestor’s payment, Transmission Owner agrees to proceed with the SIS and Requestor agrees to reimburse Transmission Owner for the costs of completing such SIS in accordance with the terms of this Agreement and as detailed in Appendix A.

NOW, THEREFORE, in consideration of the mutual agreements herein, the Parties agree as follows:

1.0 Performance of Study

Transmission Owner agrees to provide all necessary labor, facilities, transportation, and supervision needed to perform the SIS and to evaluate the impact on the Transmission System caused by establishing the new Point of Interconnection as set forth the Request. Transmission Owner shall have sole discretion as to the scope, details and methods used to perform the SIS in accordance with Good Utility Practice.



Requestor agrees to compensate Transmission Owner in accordance with Articles 8.0 and 9.0 of this Agreement for the work performed by Transmission Owner. The Requestor shall provide information as reasonably requested by Transmission Owner to perform the SIS as set forth in Section 7.

2.0 Scope of Study

A meeting between Transmission Owner and the Requestor, if requested, shall be held as soon as practical after execution of this Agreement and provision of the payment by Requestor to review: (a) the Request and develop the scope for the SIS; and b) any known issue that could affect the scope of the SIS.

The SIS will determine if the transmission system has adequate load serving capability and the major components required to interconnect with the GRE Transmission System. The System Impact Study may include, but not be limited to: power flow analysis, fault study, stability study (if required), transient switching analysis, reliability requirements and impact to other customers on the GRE Transmission System. During the analysis, additional details of the proposed facility may be required and will be requested from the interconnecting party as necessary.

3.0 Engineering Standards

The facility design(s) to facilitate the interconnection proposed in the SIS will conform with Good Utility Practice. For the purpose of this Agreement, Good Utility Practice means 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 Utility Practice, reliability, safety and expediency. 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, any Transmission System Upgrades necessary to establish the new Point of Interconnection shall maintain or improve Transmission Owner's Transmission System reliability.

4.0 Results of Study

Transmission Owner shall conduct an SIS associated with the requested Point of Interconnection and issue a SIS report for Requestor's review. Transmission Owner will use reasonable efforts to complete the SIS within six to eight weeks of Requestor's payment, required in Section 9. Such timeline may be extended by GRE in its discretion if it reasonably determines more time is necessary to complete the SIS. The report will include the following, as applicable:

- a. Summary of impacted facilities.
- b. General descriptions of the existing and proposed facilities.
- c. Need for interconnection
- d. System capabilities to serve requested interconnection
- e. System reliability per latest version of NERC Standard TPL-001
- f. Estimated preliminary cost of interconnection and correcting impacted facilities
- g. Estimated preliminary date the transmission upgrade(s) may be completed and in-service.



- h. Potential start dates of service.
- i. Third-party facilities required if applicable.

Following receipt of the completed study, the party requesting interconnection will have 15 business days to decide whether to proceed. In the event that Transmission Owner determines that the requested Point of Interconnection results in significant impact on the Transmission System, Transmission Owner will coordinate with Requestor regarding any additional studies necessary to evaluate such impacts to determine the Transmission System Upgrades necessary for establishing the requested Point of Interconnection and the estimated costs of such Transmission System Upgrades.

Requestor acknowledges and agrees that Transmission Owner's determination of the need for Transmission System Upgrades and the estimated costs and construction timelines for completing such upgrades is subject to change and will be further developed in a subsequent Facilities Study should Requestor elect to move forward with its Request after receiving the SIS results by executing a Facilities Study Agreement with Transmission Owner.

5.0 Ownership of Results

Reports, summaries, plans, and other documents arising out of this Agreement shall become the property of Transmission Owner. All studies, computer input and output data, planning, operating and other documents, work papers, assumptions, and any other material shall remain in the files and possession of the Transmission Owner.

6.0 Non-disclosure of Information

The Requestor and Transmission Owner shall consider all information provided by Transmission Owner and the Requestor and all supporting work papers resulting from Transmission Owner's performance of the services to be proprietary to the Party providing the information unless such information is available from public sources. Neither the Requestor nor Transmission Owner shall publish or disclose proprietary information of the other Party for any purpose without the prior written consent of the other Party, except disclosures required by law, regulation or orders. The non-disclosure obligation of each Party is subject to compliance with all applicable laws, regulations and orders.

7.0 Information Requests

Transmission Owner may require additional information regarding the Requestor's proposed interconnection to the Transmission System. The Requestor shall furnish, within ten (10) days, written responses to reasonable requests for information submitted by Transmission Owner.

8.0 Costs

The estimated the costs to complete the SIS are set forth in Appendix A. The Requestor shall pay Transmission Owner the estimated study costs shown on Appendix A prior to the Transmission Owner commencing work on the SIS; provided however that Requestor shall be responsible for the actual costs to perform the study even if such costs exceed the estimate. At the completion of the SIS, the costs incurred to complete the study shall be true-up based on the Transmission Owner's actual costs and Requestor shall pay such costs to Transmission Owner as provided in Section 9.



The actual study costs shall be based on the fully loaded labor rates, including overheads for the personnel performing the study. Expenses that are directly chargeable to the study shall be determined by Transmission Owner. Notwithstanding the foregoing, Transmission Owner may not incur charges in excess of \$25,000 without the prior written consent of the Requestor, provided that if the Requestor does not agree to reimburse Transmission Owner for costs in excess of this cap and Transmission Owner must incur such costs in excess of the cap to perform the required studies, Transmission Owner may cease work on the study.

9.0 Payments

Transmission Owner shall invoice the Requestor for the advance payment for the SIS upon execution of this Agreement. The Requestor shall pay within 30 days of the receipt of the invoice.

Upon completion of the SIS, Transmission Owner shall invoice Requestor and the Requestor shall pay for any unpaid excess actual costs in excess of the payment amount that have been incurred by Transmission Owner in completing the SIS within thirty (30) days, including such costs in excess of \$25,000 that have been approved by Requestor under Article 8 of this Agreement. If the amount due is not paid on or before the due date, a late payment charge shall be applied to the unpaid balance equal to interest calculated using the prime rate of interest as published on the date of the invoice in The Wall Street Journal (or, if unavailable, an equivalent publication on or about that date).

10.0 Effective Date, Term and Effect of Termination

This Agreement shall become effective on the Effective Date and shall continue in effect until the SIS is completed and all required payments have been made by Requestor, unless otherwise terminated pursuant to the provisions of this Agreement. Either Party may elect to terminate this Agreement for any reason, (i) upon giving thirty (30) days written notice to the other Party or (ii) at any time by mutual agreement of the Parties.

Should either Party terminate this Agreement in accordance with this Section 10, Transmission Owner shall provide a final invoice to Requestor of the actual costs incurred by Transmission Owner in performing the SIS as of the date of termination and either (i) refund to Requestor, any portion of the payment that exceeds the actual costs incurred up to the date of termination, or (ii) in the event that such costs are greater than the payment paid, Requestor shall pay Transmission Owner any balance due in accordance with the provisions of Section 9.0.

11.0 Notices

Unless otherwise specifically provided in this Agreement, all notices and other communications required or permitted to be given hereunder shall be in writing and shall be addressed to the persons identified below and: (i) delivered by hand, (ii) delivered by a nationally recognized commercial overnight delivery service, (iii) mailed postage prepaid by certified mail in any such case directed or addressed to the respective addresses set forth below, or (iv) transmitted by electronic mail to the address set forth below, with receipt confirmed. Such notices shall be effective: (a) in the case of hand deliveries, when received; (b) in the case of an overnight delivery service, on the next business day after being placed in the possession of such delivery service, with delivery charges prepaid; (c) in the case of certified mail, upon receipt of written signature card indicating acceptance by addressee; and (d) in the case of electronic notices, the date on



which electronic indication of receipt is received by the sender, and if such date is not a business day, then the next business day.

Transmission Owner:

Great River Energy
Manager, Transmission Business Relations
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718
763-445-5945
tbutkowski@grenergy.com

Requestor:

With copy to:

DLTransmissionBusinessRelations@GREnergy.com

Either Party may, by written notice to the other Party, change the representative or the address to which such notices and communications are to be sent under this Section 11.

12.0 Choice of Law

This Agreement shall be governed by the Federal laws of the United States, and to the extent not inconsistent with Federal law, the laws of the State of Minnesota without regard for conflicts of law provisions.

13.0 Force Majeure

An event of Force Majeure means any act of God, epidemic, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation, or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's reasonable control. A Force Majeure event does not include the claiming Party's act of negligence or intentional wrongdoing. Neither Transmission Owner nor Requestor 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 provide notice to the other Party of the circumstances resulting in the suspension of performance and shall make all reasonable efforts to perform its obligations under this Agreement.

14.0 Indemnity

The Requestor shall at all times indemnify, defend, and save the Transmission Owner 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 Owner's performance of its obligations under this Agreement on behalf of the Requestor, except in cases of gross negligence or willful misconduct by the Transmission Owner.



15.0 Waiver; 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 Limitation of Liability.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY HERETO BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, PUNITIVE, INCIDENTAL, OR EXEMPLARY DAMAGES.

In addition, the Transmission Owner shall not be liable, whether based on contract, indemnification, warranty, equity, tort, strict liability or otherwise, to Transmission Customer for any damages whatsoever, including, without limitation, direct, incidental, consequential (including, without limitation, attorneys' fees and litigation costs), punitive, special, multiple, exemplary or indirect damages arising or resulting from any act or omission in any way associated with service provided under this Agreement, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service, except to the extent that the Transmission Owner is found liable for gross negligence or intentional misconduct, in which case the Transmission Owner will only be liable for direct damages.

17.0 Entire Agreement

This Agreement constitutes the entire agreement among the Parties with respect to the subject matter of the Agreement provided for herein, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter addressed herein.

18.0 Subcontractor

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.

19.0 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.



20.0 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.

21.0 Counterparts

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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

Transmission Owner:

**GREAT RIVER ENERGY
A Minnesota cooperative corporation**

By: _____

Name: Matt Lacey

Title: Director, Transmission Business
Strategy & Development

Date: _____

Transmission Customer:

By: _____

Name:

Title:

Date: _____



Appendix A

Reimbursable Work and Installment Payment Schedule

1. Cost for the Reimbursable Work:

All costs incurred by Transmission Owner in completing the SIS shall be paid by Requestor in accordance with the terms of this Agreement.

2. Payments and Schedule:

Milestone Number	Description	Date
1	The Requestor to pay the estimated study costs of \$10,000 for Reimbursable Work to Transmission Owner.	To be paid after the execution of the Agreement within 30 days from Transmission Owner issuing an invoice.
2	System Impact Study Report delivered to Requestor.	To be delivered within six to eight weeks after execution of Agreement and receipt of payment from requestor, or a mutually agreed to delivery date.
3	True-up final invoice issued by Transmission Owner, or reimbursement to Requestor of any unused study funds.	Within 120 days after completion of SIS.