

or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

*Applicable Laws and Regulations* shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

*Breach* shall mean the failure of a Party to perform or observe any material term or condition of the Standard Small Generator Interconnection Agreement.

*Breaching Party* shall mean a Party that is in Breach of the Standard Small Generator Interconnection Agreement.

*Business Day* shall mean Monday through Friday, excluding Federal Holidays.

*Calendar Day* shall mean any day including Saturday, Sunday or a Federal Holiday.

*Commercial Operation Date* of a unit shall mean the date on which the Interconnection Customer commences commercial operation of the unit at the Generating Facility after testing of such unit has been completed.

*Confidential Information* shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

*Control Area* shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by NERC.

*Default* shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 6.17 of the Standard Small Generator Interconnection Agreement.

*Dispute Resolution* shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

*Distribution System* shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

*Distribution Upgrades* shall mean the additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to effect Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

*Effective Date* shall mean the date on which the Standard Small Generator

Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by the Commission, or if filed unexecuted, upon the date specified by the Commission.

*Emergency Condition* shall mean a condition or situation: (1) That in the judgement of the Party making the claim is imminently likely to endanger life or property, or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected, or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; *provided*, that the Interconnection Customer is not obligated by the Standard Small Generator Interconnection Agreement to possess black start capability.

*Environmental Law* shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

*Expedited Procedures* shall mean the process described in the Standard Small Generator Interconnection Procedures for (1) a Generating Facility no larger than 10 MW interconnecting with a Transmission Provider's Low-Voltage Transmission System, and (2) a Generating Facility failing the Super-Expedited Procedures. The Expedited Procedures use the Expedited Screening Criteria to determine whether the Small Generating Facility can be interconnected without any further Interconnection Studies.

*Expedited Screening Criteria* shall mean the technical variables that are employed in the Expedited Procedures for evaluating the impact of interconnecting the Small Generating Facility to the Transmission Provider's Transmission System as it exists at the time of the analysis.

*Fault Current* shall mean the current that is produced by an electrical fault, such as single-phase to ground, double-phase to ground, three-phase to ground, phase-to-phase, and three-phase. The Fault Current is several times larger in magnitude than the current that normally flows through a circuit. A protective device must be able to interrupt this Fault Current within a few cycles. The Fault Current increases when a new generator is interconnected.

*Federal Power Act* shall mean the Federal Power Act, as amended, 16 U.S.C. 791a *et seq.*

*FERC* shall mean the Federal Energy Regulatory Commission (Commission) or its successor.

*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 an act of negligence or intentional wrongdoing.

*Generating Facility* shall mean Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

*Generating Facility Capacity* shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices.

*Good Utility Practice* shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. 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 acceptable practices, methods, or acts generally accepted in the region.

*Governmental Authority* shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; *provided*, however, that such term does not include Interconnection Customer, Transmission Provider, or any Affiliate thereof.

*Hazardous Substances* shall mean any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "radioactive substances," "contaminants," "pollutants," "toxic pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law, or any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

*High-Voltage* shall mean voltage levels at or above 69 kV.

*IEEE* shall mean the Institute of Electrical and Electronics Engineers.

*Initial Review* shall mean the Transmission Provider's review of the Interconnection Customer's Interconnection Request using the Super-Expedited Screening Criteria described in Section 3 of the Standard Small Generator Interconnection Procedures.