Section 4. Interconnection Request Evaluation Process

Once an Interconnection Customer has submitted a valid Interconnection Request pursuant to Sections 3.4 and 8.2 of this GIP, such Interconnection Request shall become part of Transmission Provider's interconnection queue for further processing pursuant to the following procedures.

4.1 Queue Position.

4.1.1 Assignment of Queue Position

The Transmission Provider shall assign a Queue Position as follows: the Queue Position within the queue shall be assigned based on the date and time of receipt of all items required pursuant to the provisions of Section 3.4 of this GIP. All Interconnection Requests submitted and validated in a single DISIS Queue Cluster Window shall be considered equally queued.

All DISIS Interconnection Requests within the same DISIS Queue Cluster Window shall have equal priority. Interconnection Requests of a subsequent DISIS Queue Cluster Window that have been previously studied or actively being restudied shall be considered lower-queued in priority.

4.1.2 Higher Queue Position

A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the DISIS Queue in relation to another Interconnection Request assigned a lower Queue Position. All requests studied in a single Cluster shall be considered equally queued. Interconnection Customers that are part of Clusters initiated earlier in time shall be considered to have a higher Queue Position than Interconnection Customers that are part of Clusters initiated later in time.

4.2 General Study Process.

4.2.1 DISIS Queue Study Procedures.

Interconnection Studies performed within the Definitive Interconnection System Impact Study phase shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study and consistent with Good Utility Practice.

Transmission Provider may use subgroups in the Interconnection Study process. The criteria used to define and determine subgroups are included in the "SPP GIP Process and Business Practices" posted on the Transmission Provider's Generator Interconnection Study posting page on OASIS and in SPP Business Practice 7250.

4.2.2 Cost Allocation for Interconnection Facilities and Network Upgrades.

The Transmission Provider shall determine each Interconnection Customer's share of each phase of the Definitive Interconnection System Impact Study cost by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on number of Interconnection Requests included in the applicable study phase and by allocating 50% of the applicable study costs to Interconnection Customers pro-rata based on requested Maximum Injection Capability (MW) included in the applicable study phase. The full study costs for DISIS Phase 1 and DISIS Phase 2 will be shared by all Interconnection Requests which entered each respective study phase. If Interconnection Customer withdraws its Interconnection Request before or during DP1 or DP2, Interconnection Customer will not be responsible for study costs for subsequent study phases except that any remaining non-refundable portions of the study deposit will be applied in accordance with Section 13.3 of this GIP.

(1) For Network Upgrades identified in Cluster Studies, the Transmission Provider shall calculate each Interconnection Customer's share of Network Upgrade costs in the following manner:

(a) Substation Network Upgrades, including all switching stations, shall be allocated first per capita to Interconnection Facilities interconnecting to the substation at the same voltage level, and then per capita to each Generating Facility sharing the Interconnection Facility.

(b) System Network Upgrades shall be allocated based on the proportional impact of each individual Generating Facility in the DISIS Study on the need for a specific System Network Upgrade.

i. All System Network Upgrades that are required to provide Interconnection Service for all Interconnection Requests included in a Cluster Study shall be included in a cluster cost allocation assessment group ("CCAAG"). The cost of each System Network Upgrade component will be allocated to each Interconnection Customer in the CCAAG on a pro-rata impact basis as provided for in paragraph ii below. With regard to the cost allocation, the Transmission Provider shall review all System Network Upgrades and determine the earliest date that each upgrade is required to be in-service in order to provide the requested Interconnection Service ("Date Upgrade Needed").

ii. An allocation of the cost of each System Network Upgrade to each Interconnection Customer shall be

determined on a pro-rata basis for the positive incremental power flow impacts of the requested service on such System Network Upgrade in proportion to the total of all positive incremental power flow impacts on such System Network Upgrade. For each System Network Upgrade identified, the average incremental power flow impact of each Interconnection Request in the Cluster Study shall be determined using each seasonal model available for the Cluster Study period during which the generating facility associated with the Interconnection Request is most likely to be generating at Maximum Injection Capability, after the Date Upgrade Needed of such upgraded facility. Each impact amount shall be determined by first establishing a set of initial seasonal base cases that excludes flows associated with all requests included in the Cluster Study. Then each request will be added to the models and the change in flow across such System Network Upgrades shall be determined for each request included in the Cluster Study. The cost of a System Network Upgrade allocated to each request shall be proportional to the average positive incremental impact of each request on such System Network Upgrade divided by the total average positive incremental impact of all requests included in the Cluster Study on such System Network Upgrade. The cost of each System Network Upgrade shall be allocated to requests independently. Incremental flows having a negative impact (counter flow) on a System Network Upgrade shall be ignored.

Qualifying NRIS Upgrades will be eligible for cost allocation under Section III.A of Attachment J, subject to (i) the conditions in Section III.B of Attachment J, and (ii) designation of the associated Resources by or before the Commercial Operation Date specified in the initial GIA. Resource designation is effectuated by completion of the appropriate section of Appendix A to the GIA and fulfillment of the requirements of Section 30.2.2 of this Tariff.

(c) An Interconnection Customer that funds Substation Network Upgrades and/or System Network Upgrades shall be entitled to transmission credits as provided in Article 11.5 of the GIA.

(2) The costs of any needed Interconnection Facilities identified in the Interconnection Study process will be directly assigned to Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Cluster agree to share Interconnection Facilities, the cost of such Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing use of such Interconnection Facilities on a per capita basis (i.e., on a per Generating Facility basis), unless Parties mutually agree to a different cost sharing arrangement.

4.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Queue Position to another entity only if such entity acquires the specific Generating Facility identified in the Interconnection Request and the Point of Interconnection does not change.

4.4 Modifications.

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2, 4.4.3, or 4.4.6 of this GIP, or are determined not to be Material Modifications pursuant to Section 4.4.4 of this GIP.

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the Point of Interconnection prior to the end of the DISIS Review Period and Interconnection Customer shall retain its Queue Position.

4.4.1 During DP1, modifications to the Interconnection Request permitted under this section shall include specifically:

(a) a decrease of Maximum Injection Capability and/or Network Resource Deliverability (MW) of the proposed project of up to fifty percent (50%) of original requested Maximum Injection Capability or Network Resource Deliverability, through either

(1) a decrease in Nameplate Capacity or

(2) a decrease in Maximum Injection Capability or Network Resource Deliverability (consistent with the process described in Section 3.1 of the GIP) accomplished by

applying Transmission Provider-approved injection-limiting equipment;

(b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;

(c) modifying the interconnection configuration; and

(d) a change from Network Resource Interconnection Service to Energy Resource Interconnection Service (effectively reducing Network Resource Deliverability to zero);

(e) a Permissible Technological Advancement for the Generating Facility after the submission of the Interconnection Request. Section 4.4.6 of the GIP specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether the Interconnection Customer's proposed technological advancement under Section 4.4.1(e) of the GIP is a Material Modification.

4.4.2 During DP2, modifications to the Interconnection Request permitted under this section shall include specifically a decrease of Maximum Injection Capability and/or Network Resource Deliverability (MW) of up to ten percent (10%) of the original requested Maximum Injection Capability or Network Resource Deliverability. For increases in Nameplate Capacity, Maximum Injection Capability, or Network Resource Deliverability, the incremental increase in any of these quantities will go to the end of the queue for the purposes of cost allocation and study analysis.

4.4.3 Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, 4.4.3, and 4.4.6 of this GIP, Interconnection Customer may first request that Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those deemed acceptable under Sections 3.1.2, 4.4.1, and 8.2 of the GIP or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

Transmission Provider shall study the addition of a Generating Facility that includes at least one electric storage resource at non-peak load and using the operating assumptions requested by Interconnection Customer, unless Transmission Provider determines that Good Utility Practice, including

Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

4.4.4 Upon receipt of Interconnection Customer's request for modification permitted under this Section 4.4 of the GIP, the Transmission Provider will notify the Interconnection Customer if a study is necessary to determine whether the change is considered a Material Modification. The Interconnection Customer will provide a study deposit of $60,000 within five (5) Business Days after notification that additional studies are required. Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost. Transmission Provider shall describe for the Interconnection Customer any costs incurred to conduct any necessary additional studies, provide its costs to the Interconnection Customer, and either refund any overage or charge for any shortage for costs that exceed the deposit amount. The Transmission Provider will determine whether a request is a Material Modification by conducting steady-state, reactive power, short-circuit/fault duty, and stability analyses. For inverter-based resources, the study will also include a Short Circuit Ratio and Critical Clearing Time ("SCRCCT") screening. The Transmission Provider may waive any of these analyses if it determines that one or more is not necessary based on the nature of the requested change. The request shall be deemed a Material Modification if the results of the analyses meet the definition of Material Modification as defined in Section 1 of this GIP. Any such request for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to Appendix 1 of this GIP. If request is not determined to constitute a Material Modification, but the SCRCCT screening identifies potential inverter instability associated with the request, Transmission Provider will complete an EMT Study in accordance with Business Practice 7250 as far in advance of the requested Commercial Operation Date of the inverter-based resource as practicable.

4.4.5 Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. For purposes of this section, the Commercial Operation Date reflected in the initial Interconnection Request shall be used to calculate the permissible extension prior to Interconnection Customer executing a GIA or requesting that the GIA be filed unexecuted. After a GIA is executed or requested to be filed unexecuted, the Commercial Operation Date reflected in the GIA shall be used to calculate the permissible extension. Such cumulative extensions may not exceed three years including both extensions requested after execution of the GIA by Interconnection

Customer or the filing of an unexecuted GIA by Transmission Provider and those requested prior to execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by Transmission Provider. Extensions of more than three (3) cumulative years of the Commercial Operation Date of the Generating Facility are deemed to be a Material Modification. Extensions of Commercial Operation Date due to circumstances in Section 8.7 of the GIP are applicable to this Section 4.4.5.

4.4.6 Technological Change Procedure.

If an Interconnection Customer seeks to incorporate a technological advancement into its Generating Facility, it should submit a technological advancement request to the Transmission Provider in writing prior to the end of DP2.

The technological advancement request must include a description of the proposed advancement and provide details necessary to evaluate whether the proposed advancement is material, including but not limited to, listing the specific parameters in Attachments A and B to Appendix 3 of the GIP that would change as a result of the proposed advancement.

If the proposed technological advancement is a Permissible Technological Advancement or would not change any of the parameters in Attachments A or B to Appendix 3 of the GIP, no study will be necessary and the proposed advancement will not be considered a Material Modification.

The Transmission Provider will evaluate the request pursuant to Section 4.4.4 of this GIP. Studies conducted for purposes of this Section 4.4.6 of the GIP will be completed in thirty (30) Calendar Days after the Interconnection Customer submits a formal technological advancement request to the transmission provider, provided that the Interconnection Customer has provided the required information and study deposit.