**WASHINGTON GENERATOR**

**INTERCONNECTION AGREEMENT (WGIA)**

**(For Generating Facilities Subject to**

**Chapter 480-108 of the Washington Administrative Code)**

**(Tier 1 [Non-NetMetered], Tier 2, Tier 3)**

This Interconnection Agreement ("Agreement") is made and entered into this day of , 20 , by PacifiCorp d.b.a. Pacific Power ("Company"), and ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

**Company Information (Pacific Power)**

Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State: \_\_\_\_\_\_\_\_\_\_\_ Zip: \_\_\_\_\_\_

Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Fax: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Interconnection Customer Information**

Interconnection Customer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State: \_\_\_\_\_\_\_\_\_\_\_ Zip: \_\_\_\_\_\_

Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Fax: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Interconnection Customer Application No: \_\_\_\_\_\_\_\_\_\_\_\_\_

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

**Article 1.** **Scope and Limitations of Agreement**

1.1 This Agreement shall be used for all Interconnection Requests submitted in accordance with WAC 480-108 (“WGIP”). The WGIP provides for Interconnection of Generation Facilities under Chapter 480-108 of the Washington Administrative Code which governs Interconnection of the Company's Electric System to Generating Facilities defined by WAC 480-108-020.

1.2 This Agreement governs the terms and conditions under which the Interconnection Customer’s Generating Facility will interconnect with, and operate in parallel with, the Company’s Electric System.

1.3 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate agreements, if any. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable entity.

1.4 Nothing in this Agreement is intended to affect any other agreement between the Company and the Interconnection Customer.

1.5 Responsibilities of the Parties

 1.5.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.

 1.5.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, and in accordance with this Agreement, and with Good Utility Practice.

 1.5.3 The Company shall construct, operate, and maintain its Electric System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.

 1.5.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design, install, maintain, and operate its Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of the Company and any Affected Systems.

 1.5.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. The Company and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Company’s Electric System, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement.

 1.5.6 The Interconnection Customer shall coordinate with any Affected System owners to determine what, if any, impacts the proposed interconnection will have on such Affected System owners and what, if any, mitigation is required to protect such owners to their reasonable satisfaction. The Company shall confirm that the Interconnection Customer has engaged in the required coordination with Affected System owners and the Company shall not allow the Interconnection Customer to interconnect its Generating Facility to the Company’s Electric System unless and until the Interconnection Customer has mitigated Affected System impacts to the reasonable satisfaction of Affected System owners. The Company may require the Interconnection Customer to provide written evidence of coordination with Affected System owners and written evidence of the mitigation required by such owners. Furthermore, the Company may, at its discretion, coordinate with all Affected Systems to support the interconnection. The Interconnection Customer shall pay all costs associated with mitigation reasonably required by Affected System owners.

1.6 Parallel Operation Obligations

 Once the Generating Facility has been authorized to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Generating Facility in the applicable control area, including, but not limited to the Operating Requirements set forth in Attachment 5 of this Agreement as amended from time-to-time.

1.7 Metering

 Unless otherwise determined by the Company, the Interconnection Customer shall be responsible for the Company’s reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2, 3 and 6 of this Agreement. The Interconnection Customer's metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements. Required metering equipment shall be capable of telephonic meter interrogation. The Interconnection Customer shall obtain, maintain, and pay for, all telephone service required to allow telephonic interrogation of the meter. The form of telephone service selected by the Interconnection Customer must provide reliable data transmission acceptable to the Company.

1.8 Reactive Power

 The Interconnection Customer shall design its Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Company has established different requirements that apply to all similarly situated generators in the control area on a comparable basis. The requirements of this paragraph shall not apply to wind generators.

1.9 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

**Article 2.** **Inspection, Testing, Authorization, and Right of Access**

2.1 Equipment Testing and Inspection

 2.1.1 The Interconnection Customer shall test and inspect its Generating Facility and Interconnection Facilities prior to interconnection. The Interconnection Customer shall notify the Company of such activities no fewer than five Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Company may send qualified personnel to the Generating Facility site to inspect the interconnection and observe the testing (“Witness Test”). The Interconnection Customer shall provide the Company a written test report when such testing and inspection is completed and reimburse the Company for all reasonable expenses incurred by the Company in conducting a witness test.

 2.1.1.1 The Company will conduct a witness test in order to inspect and test an Interconnection Customer’s Interconnection Facilities. As these facilities are directly tied to the protection and control of the production and delivery of power, the Company must ensure that facilities not installed or operated by the company meet the proper specifications as defined in reference by article 1.5.4 of this agreement.

 2.1.2 The Company shall provide the Interconnection Customer written and electronically submitted acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Company of the safety, durability, suitability, or reliability of the Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

 2.2.1 The Company shall use Reasonable Efforts to list applicable parallel operation requirements in Attachment 5 of this Agreement. Additionally, the Company shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Company shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

 2.2.2 The Interconnection Customer shall not operate its Generating Facility in parallel with the Company’s Electric System without prior written authorization of the Company. The Company will provide such authorization once the Company receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

 2.3.1 Upon reasonable notice, the Company may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Generating Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit in accordance with Article 2.1.1. In addition, the Interconnection Customer shall notify the Company at least five Business Days prior to conducting any on-site verification testing of the Generating Facility.

 2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, the Company shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

 2.3.3 Interconnection Customer shall bear its own costs and shall reimburse the Company’s costs associated with following this article.

**Article 3.** **Effective Date, Term, Termination, and Disconnection**

3.1 Effective Date

 This Agreement shall become effective upon execution by the Parties.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date. If the Parties have entered into a power purchase agreement under which the Company has agreed to purchase the net output of the Generating Facility from the Interconnection Customer for a specified period of time, then this Agreement shall remain effective until the power purchase agreement has been terminated or has expired by its terms (except for any period under which the power purchase agreement has been extended in accordance with any term extension provision, in which case this Agreement shall continue for a commensurate period).

In all other cases, this Agreement shall remain in effect for a period of ten years from the Effective Date.

Notwithstanding the foregoing, if due to any circumstance whatsoever, the Company believes on reasonable grounds that the Generating Facility has come under the jurisdiction of an Open Access Transmission Tariff required by the Federal Energy Regulatory Commission ("FERC"), the Interconnection Customer shall, if required by the Company and within a reasonable time from receiving written notice from the Company of its belief, enter into a replacement interconnection agreement that conforms to a pro-forma interconnection agreement contained in the Company's Open Access Transmission Tariff or an interconnection agreement that is accepted for filing by FERC and this Agreement will immediately terminate in its entirety on execution of the replacement agreement.

3.3 Termination

 No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

 3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the Company 20 Business Days written notice.

 3.3.2 Either Party may terminate this Agreement after Default pursuant to article 7.6.

 3.3.3 Upon termination of this Agreement, the Generating Facility will be disconnected from the Company’s Electric System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party’s Default of this WGIA or such non-terminating Party otherwise is responsible for these costs under this WGIA.

 3.3.4 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

 3.3.5 The provisions of this article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

 Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

 3.4.1 Emergency Conditions -- "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Company, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Electric System, the Electric System, the Company’s Facilities or the Electric Systems or Electric Systems of others to which the Electric System is directly connected; or (3) that, in the case of the 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 the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Company may immediately suspend interconnection service and temporarily disconnect the Generating Facility. The Company shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Generating Facility. The Interconnection Customer shall notify the Company promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Company’s Electric System, the Company’s Electric System or any Affected Systems. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

 3.4.2 Routine Maintenance, Construction, and Repair

 The Company may interrupt interconnection service or curtail the output of the Generating Facility and temporarily disconnect the Generating Facility from the Company’s Electric System when necessary for routine maintenance, construction, and repairs on the Company’s Electric System. The Company shall provide the Interconnection Customer with five Business Days notice prior to such interruption. The Company shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer.

 3.4.3 Forced Outages

 During any forced outage, the Company may suspend interconnection service to effect immediate repairs on the Company’s Electric System. The Company shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Company shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

 3.4.4 Adverse Operating Effects

 The Company shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generating Facility could cause damage to the Company’s Electric System, the Company’s Electric System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Company may disconnect the Generating Facility. The Company shall provide the Interconnection Customer with five Business Day notice of such disconnection, unless the provisions of article 3.4.1 apply.

 3.4.5 Modification of the Generating Facility

 The Interconnection Customer must receive written authorization from the Company before making any change to the Generating Facility that may have a material impact on the safety or reliability of the Electric System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes such modification without the Company’s prior written authorization, the latter shall have the right to temporarily disconnect the Generating Facility.

 3.4.6 Reconnection

 The Parties shall cooperate with each other to restore the Generating Facility, Interconnection Facilities, and the Company’s Electric System or Electric System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

**Article 4.** **Cost Responsibility for Interconnection Facilities and Distribution Upgrades**

4.1 Interconnection Facilities

 4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. The Company shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Company.

 4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing the Company’s Interconnection Facilities.

 4.1.2.1 Charges related to operating, maintaining, repairing, and replacing the Company’s Interconnection Facilities are only applicable to Tier 3 interconnections.

4.2 Distribution Upgrades

 The Company shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If the Company and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades that are located on land owned by the Interconnection Customer. The actual cost to install the Distribution Upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

**Article 5.** **Cost Responsibility for Network Upgrades**

5.1 Applicability

 No portion of this article 5 shall apply unless the interconnection of the Generating Facility requires Network Upgrades.

5.2 Network Upgrades

 The Company shall design, procure, construct, install, and own the Network Upgrades described in Attachment 6 of this Agreement. If the Company and the Interconnection Customer agree, the Interconnection Customer may construct Network Upgrades that are located on land owned by the Interconnection Customer. Unless the Company elects to pay for Network Upgrades, the actual cost of the Network Upgrades, including overheads, shall be borne by the Interconnection Customer.

**Article 6.**  **Billing, Payment, Milestones, and Financial Security**

6.1 Billing and Payment Procedures and Final Accounting

 6.1.1 The Company shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within 30 calendar days of receipt, or as otherwise agreed to by the Parties.

 6.1.2 Within three months of completing the construction and installation of the Company’s Interconnection Facilities and/or Upgrades described in the Attachments to this Agreement, the Company shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or Upgrades, and (2) the Interconnection Customer's previous aggregate payments to the Company for such facilities or Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Company shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Company within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Company shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2 Milestones

 The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless (1) it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 Financial Security Arrangements

 At least 20 Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Company’s Interconnection Facilities and Upgrades, the Interconnection Customer shall provide the Company, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to the Company and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of the Company’s Interconnection Facilities and Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to the Company under this Agreement during its term. In addition:

 6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of the Company, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

 6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer reasonably acceptable to the Company and must specify a reasonable expiration date.

**Article 7.** **Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default**

7.1 Assignment

 This Agreement may be assigned by either Party upon 15 Business Days prior written notice and opportunity to object by the other Party; provided that:

 7.1.1Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that the Interconnection Customer promptly notifies the Company of any such assignment;

 7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of the Company, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will promptly notify the Company of any such assignment.

 7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

 Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

 7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

 7.3.2 The Parties shall at all times indemnify, defend, and hold the other Party 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, demand, 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 other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

 7.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

 7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

 7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

7.4 Consequential Damages

 Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Force Majeure

 7.5.1 As used in this article, a Force Majeure Event 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."

 7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

 7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

 7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Agreement.

**Article 8.** **Insurance**

8.1 No insurance is required for a generating facility with a nameplate capacity under 100 kW. For other generating facilities, the Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of such insurance shall be for an amount that is reasonably acceptable to the Company taking into account the circumstances and location of the Interconnection Facilities. Such insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that such insurance is in effect shall be provided upon request of the Company, except that the Interconnection Customer shall show proof of insurance to the Company no later than ten Business Days prior to the anticipated commercial operation date. An Interconnection Customer of sufficient credit-worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.

8.2 The Company agrees to maintain general liability insurance or self-insurance consistent with the Company’s commercial practice. Such insurance or self-insurance shall not exclude coverage for the Company’s liabilities undertaken pursuant to this Agreement.

8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

**Article** **9. Confidentiality**

9.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.

9.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

 9.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

 9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

9.3 Notwithstanding anything in this article to the contrary and only to the extent consistent with the applicable state rules and regulations, if a state regulatory body, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party shall provide the requested information to the state regulatory body, within the time provided for in the request for information. In providing the information to the state regulatory body, the Party may request that the information be treated as confidential and non-public by the state regulatory body and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to the state regulatory body. The Party shall notify the other Party to this Agreement when it is notified by the state regulatory body that a request to release Confidential Information has been received by the state regulatory body, at which time either of the Parties may respond before such information would be made public.

**Article 10.** **Disputes**

10.1 The Parties agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

 10.1.1 An interconnection customer may ask the commission to review an electrical company's study costs, interconnection facility costs, system upgrade costs, deposit requirements, assignment of costs to the interconnection customer or an electrical company's processing, termination, denial or rejection of an interconnection application by making an informal complaint under WAC 480-07-910, or by filing a formal complaint under WAC 480-07-370.

10.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

10.3 If the dispute has not been resolved within two Business Days after receipt of the Notice, either Party may initiate non-binding mediation under the American Arbitration Association’s Commercial Mediation Rules in an attempt to resolve the dispute.

10.4 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.

10.5 If neither Party elects to attempt mediation or if the attempted mediation fails then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement and the terms of the Company’s Distribution Generation Interconnection Procedures.

**Article 11.** **Taxes**

11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with Internal Revenue Service requirements.

11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Company's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

**Article 12.**  **Miscellaneous**

12.1 Governing Law, Regulatory Authority, and Rules

 The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Washington (where the Point of Interconnection is located), without regard to its conflicts of law principles. 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.

12.2 Amendment

 The Parties may amend this Agreement by a written instrument duly executed by both Parties, or under article 12.12 of this Agreement.

12.3 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.

12.4 Waiver

 12.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

 12.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights, if any, to obtain an interconnection from the Company. Any waiver of this Agreement shall, if requested, be provided in writing.

12.5 Entire Agreement

 This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

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

12.7 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.

12.8 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.

12.9 Security Arrangements

 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All electric providers, market participants, and Interconnection Customers interconnected to electric systems are expected to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

 Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

 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.

 12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the Company be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

 12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor’s insurance.

12.12 Reservation of Rights

 The Company shall have the right to make a unilateral filing with the appropriate state utility commission to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation or any applicable provision of state or federal law and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with the appropriate state utility commission to modify this Agreement under any applicable provision of state or federal law 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 the appropriate state utility commission in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of the appropriate state utility commission under state or federal law and regulations, except to the extent that the Parties otherwise agree as provided herein.

**Article 13.** **Notices**

13.1 General

 Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

 If to the Interconnection Customer:

Interconnection Customer:

Attention:

Address:

City: State: Zip:

Phone: Fax:

 If to the Company:

Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attention:

Address:

City: State: Zip:

Phone: Fax:

13.2 Billing and Payment

 Billings and payments shall be sent to the addresses set out below:

Interconnection Customer:

Attention:

Address:

City: State: Zip:

Company: \_\_\_\_\_\_\_\_\_\_

Attention:

Address:

City: State: Zip:

13.3 Alternative Forms of Notice

 Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

 If to the Interconnection Customer:

Interconnection Customer:

Attention:

Address:

City: State: Zip:

Phone: Fax:

 If to the Company:

Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attention:

Address:

City: State: Zip:

Phone: Fax:

13.4 Designated Operating Representative

 The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party’s facilities.

 Interconnection Customer’s Operating Representative:

Interconnection Customer:

Attention:

Address:

City: State: Zip:

Phone: Fax:

 Company’s Operating Representative:

Company’s: \_\_\_\_\_\_\_\_\_\_

Attention:

Address:

City: State: Zip:

Phone: Fax:

13.5 Changes to the Notice Information

 Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

**Article** **14. Signatures**

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

For the Company

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For the Interconnection Customer

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Attachment 1** **to WGIA**

**Glossary of Terms**

**As defined by PacifiCorp and by WAC 480-108-010 (where applicable)**

**Affected System –** An electric system other than the Company’s Electric System or Electric System that may be affected by the proposed interconnection.

**Agreement** – The Company’s Distribution Generator Interconnection Agreement or WGIA.

**Applicable Laws and Regulations** – 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.

**Application –** The written notice as defined in WAC 480-108-030 that the interconnection customer provides to the electrical company to start the interconnection process.

**Business Day –** Monday through Friday, excluding Federal and State Holidays.

**Certificate of Completion –** The form described in WAC 480-108-050(2) that must be completed by the interconnection customer's electrical inspector and approved by the electrical company indicating completion of installation and inspection of the interconnection.

**Commission –** The Washington utilities and transportation commission.

**Electrical Company** – Any public service company, as defined by RCW 80.04.010, engaged in the generation, distribution, sale or furnishing of electricity and subject to the jurisdiction of the commission.

**Default** – The failure of a breaching Party to cure its breach under the Distribution Generator Interconnection Agreement.

**Distribution Upgrades** – The additions, modifications, and upgrades to the Company’s Electric System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility. Distribution Upgrades do not include Interconnection Facilities.

**Electric System** – The Company’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 Electric Systems operate differ among areas but unless otherwise determined by the Company does not exceed 45 kV. The Electric System is an aspect of, and interconnected with, the Company’s larger electric power system that includes the Company’s Electric System.

**Generating Facility** – A source of electricity owned, or whose electrical output is owned, by the interconnection customer that is located on the interconnection customer's side of the point of common coupling, and all ancillary and appurtenant facilities, including interconnection facilities, which the interconnection customer requests to interconnect to the electric system.

**Good Utility Practice** – 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** – 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 the Interconnection Customer, the Company, or any Affiliate thereof.

**Initial Operation –** The first time the generating facility operates in parallel with the electric system.

**Interconnection –** The physical connection of a generating facility to the electric system so that parallel operation may occur.

**Interconnection Customer** – The person, corporation, partnership, government agency, or other entity that proposes to interconnect, or has executed an interconnection agreement with the electrical company. The interconnection customer must:

(a) Own a generating facility interconnected to the electric system;

(b) Be a customer-generator of net-metered facilities, as defined

in RCW 80.60.010(2); or

(c) Otherwise be authorized to interconnect by law. The interconnection customer is responsible for the generating facility, and may assign to another party responsibility for compliance with the requirements of this rule only with the express written permission of the electrical company. A net metered interconnection customer may lease a generating facility from, or purchase power from, a third-party owner of an on-site generating facility.

**Interconnection Facilities** – The Company’s Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Company’s Electric System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades.

**Interconnection Request** – The Interconnection Customer's request, in accordance with the Company’s Distribution Generator Interconnection Procedures, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Company’s Electric System.

**Islanding –** The condition that occurs when power from the electric system is no longer present and the generating facility continues exporting energy onto the electric system.

**Material Modification** – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

**Minor Modification –** A physical modification to the electric system with a cost of no more than ten thousand dollars.

**Nameplate Capacity –** The manufacturer's output capacity of the generating facility. For a system that uses an inverter to change DC energy supplied to an AC quantity, the nameplate capacity will be the manufacturer's AC output rating for the inverter(s). Nameplate capacities shall be measured in the unit of kilowatts.

**Network Protectors –** Devices installed on a network distribution system designed to detect and interrupt reverse current-flow (flow out of the network) as quickly as possible, typically within three to six cycles.

**Network Upgrades** – Additions, modifications, and upgrades to the Company's Electric System required to accommodate the impacts on the Company’s Electric System resulting from the interconnection of the Generating Facility with the Company’s Electric System. Network Upgrades do not include Distribution Upgrades.

**Operating Requirements** – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, control area, or the Company’s requirements, including those set forth in the Distribution Generator Interconnection Agreement.

**Parallel Operation –** The synchronous operation of a generating facility while interconnected with an electric system.

**Party or Parties** – The Company, Interconnection Customer or both.

**Point of Common Coupling** – The point where the generating facility's local electric power system connects to the electric system, such as the electric power revenue meter or at the location of the equipment designated to interrupt, separate or disconnect the connection between the generating facility and electrical company. The point of common coupling is the point of measurement for the application of Institute of Electrical and Electronics Engineers standard (IEEE) 1547.

**Reasonable Efforts** – With respect to an action required to be attempted or taken by a Party under the Distribution Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

**Tariff** - The Company Tariff through which the Washington Part 2 Generator Interconnection Process and associated Interconnection Service are offered, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

**Third-Party Owner –** An entity that owns a generating facility located on the premises of an interconnection customer and has entered into a contract with the interconnection customer for provision of power from the generating facility. When a third-party owns a net-metered generating facility, the interconnection customer maintains the net metering relationship with the electrical company. A third-party owner does not resell electricity produced from a net metered generating facility.

**Transmission System** - The facilities owned, controlled or operated by the Company that are used to provide transmission service.

**Upgrades** - The required additions and modifications to the Company's Electric System at or beyond the Point of Interconnection. Upgrades may be Network Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

**Attachment 2** **to WGIA**

**Description and Costs of the Generating Facility,**

**Interconnection Facilities, and Metering Equipment**

Equipment, including the Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer or the Company. The Company will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

**Attachment 3** **to WGIA**

**One-line Diagram Depicting the Generating Facility, Interconnection**

**Facilities, Metering Equipment, and Upgrades**

**Attachment 4** **to WGIA**

**Milestones**

In-Service Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Critical milestones and responsibility as agreed to by the Parties:

 **Milestone/Date** **Responsible Party**

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

Agreed to by:

For the Company\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_\_\_\_

For the System Owner (If Applicable) \_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_

For the Interconnection Customer\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_ Date\_\_\_\_\_\_\_\_\_\_

**Attachment 5** **to WGIA**

**Additional Operating Requirements for the Company’s Electric System and Affected Systems Needed to Support the Interconnection Customer's Needs**

The Company shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the Company’s Electric System.

**Attachment 6** **to WGIA**

**Company’s Description of its Upgrades**

**and Best Estimate of Upgrade Costs**

The Company shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades.