

Dominion Energy South Carolina, Inc.

Appendix DESC CS to the SCGIP

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Dominion Energy South Carolina, Inc.

Appendix to South Carolina Generator Interconnection Procedures for Implementing Alternative Definitive Interconnection Study Process

Effective ____ / ____ /2025

Pursuant to Section 4.1.1 of the South Carolina Generator Interconnection Procedures (SCGIP), Dominion Energy South Carolina, Inc. ("DESC" or "Utility") obtained authorization from the Public Service Commission of South Carolina ("Commission") on May 13, 2022, to transition DESC's SCGIP Section 4 generator interconnection study process for South Carolina-jurisdictional Interconnection Customers to a Cluster Study process.

On July 28, 2023, the Federal Energy Regulatory Commission (the "FERC") issued Order No. 2023 to reform procedures and agreements that electric transmission providers use to integrate new generating facilities interconnecting to the grid. Relevant here, the reforms pursuant to Order No. 2023 address queue processing by implementing a first-ready, first-served cluster study process. On May 16, 2024, DESC submitted its initial compliance filing with the FERC in response to Order No. 2023. Interested Parties filed comments on the initial compliance filing on June 6, 2024, and DESC filed an answer in response on June 21, 2024. The FERC issued its Order on Compliance on February 20, 2025, directing DESC to submit a further compliance filing. On April 21, 2025, DESC submitted its supplemental compliance filing, requesting an effective date of August 1, 2025.

The cluster study process set forth in DESC's proposed Large Generator Interconnection Procedures ("LGIP") differs from the Definitive Interconnection Study Process under DESC's currently effective Appendix CS. As such, to align the two processes, DESC is making revisions to its Appendix DESC CS that is currently effective and approved by the Commission. The DESC Cluster Study Process detailed in this Appendix ("Appendix") is called the "Cluster Study Process." DESC will apply the Cluster Study Process consistently to all South Carolina-jurisdictional and FERC-jurisdictional Interconnection Customers.

Section 1. Overview of Appendix DESC CS

- 1.1 This Appendix allows prospective Interconnection Customers to informally receive existing DESC study information (Section 3 Informational Interconnection Study Process for Transmission System Interconnections), and creates an annual Cluster Study Process for Interconnection Customers

(Section 4 Overview of Cluster Study Process) requesting to interconnect and to operate in parallel with DESC's System in South Carolina that are not eligible to apply for interconnection under SCGIP Section 2 (20 kW Inverter Process) or Section 3 (Fast Track Process).

1.2 Applicability.

Pursuant to SCGIP Section 4.1.1, DESC is administering the Cluster Study Process detailed in this Appendix as the SCGIP Section 4 Study process for all Interconnection Customers. Interconnection Customers that elect to withdraw from the Cluster Study Process may be subject to a Withdrawal Penalty, as further addressed in Section 4.9.

This Appendix shall apply to all new Interconnection Requests submitted after April 1 in the year of the Appendix's effective date. This Appendix shall not apply to Generating Facilities having submitted an Interconnection Request prior to April 1 of the year of the Appendix's effective date, unless the Interconnection Customer proposes a Material Modification, transfers ownership of the Generating Facility, or application of the Appendix is agreed to in writing by DESC and the Interconnection Customer. Revised fees and new deposits may apply.

1.3 Capitalized terms shall have the meanings specified in the SCGIP Attachment 1 Glossary of Terms, or in Attachment 1 of this Appendix.

1.4 Cross references to Sections of this Appendix shall be identified by the applicable Section or Attachment. Cross references to Sections or attachments of the SCGIP shall be preceded by "SCGIP."

Section 1 provides this overview of the Appendix.

Section 2 addresses modified deposits and requirements applicable to Interconnection Customers electing to proceed through the Cluster Study Process.

Section 3 describes an optional Informational Interconnection Study process available to prospective Interconnection Customers considering submitting a Transmission System Interconnection Request(s).

Section 4 establishes the detailed process and requirements for implementing the Cluster Study Process.

Attachment 1 provides certain supplemental definitions applicable to the DESC Cluster Study Process in addition to the definitions identified in SCGIP Attachment 1.

Attachment 2 is the Cluster Study Agreement.

Attachment 3 is the Facilities Study Agreement for use in the Cluster Study Process.

Section 2. Modified SCGIP Section 1.3 Interconnection Request Requirements

2.1 Interconnection Customers requesting to proceed under the Cluster Study Process shall meet all requirements of SCGIP Section 1.3. However, in lieu of the deposit required by SCGIP Section 1.3.1.2, the Interconnection Request deposit for Interconnection Customers to be evaluated under the Cluster Study Process shall equal:

(1) \$10,000 plus one dollar (\$1.00) per kWac of capacity specified in the Interconnection Request Application Form for all Interconnection Requests 1 MW or less;

(2) \$20,000 plus one dollar (\$1.00) per kWac of capacity specified in the Interconnection Request Application Form for all Interconnection Requests greater than 1 MW and less than 20 MW;

(3) \$35,000 plus one dollar (\$1.00) per kWac for Interconnection Requests between 20 MW and 50 MW; or

(4) \$50,000 plus one dollar (\$1.00) per kWac for all Interconnection Requests greater than 50 MW.

The deposit is intended to cover DESC's reasonably anticipated costs including overheads for conducting the Cluster and the Facilities Study. In addition, such deposit shall be applicable towards DESC's cost of administering the generator interconnection process as well as any Upgrades and Interconnection Facilities, including overheads under a future Interconnection Agreement(s) (if applicable).

2.2 An Interconnection Customer wishing to join the next Cluster shall submit its Interconnection Request to DESC no later than the close of the Cluster Request Window established in Section 4.1.1.

2.3 DESC may request additional technical information from the Interconnection Customer as DESC may reasonably determine necessary consistent with

Good Utility Practice to complete the Cluster. Where DESC determines that technical information provided in an Interconnection Request is not adequate to initiate the Cluster Study Process and requests the Interconnection Customer provide supplemental information prior to the close of the initial Customer Engagement Window provided for in Section 4.1.1, DESC shall provide to the Interconnection Customer a written list detailing all information that must be provided by the Interconnection Customer within ten (10) Business Days of the request where the Interconnection Customer's failure to provide the information required by DESC within the deadline will result in the Interconnection Request being deemed withdrawn by DESC.

Section 3. Informational Interconnection Analysis for Transmission System Interconnections

3.1.1 Interconnection Customers will be able to access a visual representation, known as a heatmap, of available transmission capacity ninety (90) days prior to the Application Period for the 2026 Cluster Study. The heatmap is intended to benefit prospective Interconnection Customers by helping them to identify ideal points of interconnection based on areas of expected congestion.

Section 4. Overview of Cluster Study Process and Complete Interconnection Request

4.1 Complete Interconnection Request.

4.2 Cluster Request Window.

4.2.1 DESC shall accept Interconnection Requests during a forty-five (45) Calendar Day period (the "Cluster Request Window") which shall open annually on August 15.

4.2.2 Initiation of a an Interconnection Request.

DESC shall receive Interconnection Requests during the Cluster Request Window which shall open annually on August 15 and shall remain open for 45 Calendar Days or through the following Business Day if the 45th day falls on a weekend or a NERC recognized holiday.

An Interconnection Customer seeking to join a Cluster shall submit its Interconnection Request to DESC within, and no later than the close of, the Cluster Request Window. Interconnection Requests submitted outside of the Cluster Request Window will not be considered. To

initiate an Interconnection Request, Interconnection Customer must submit all of the following:

- (i) Applicable study deposit amount, pursuant to Section 2.1 of this Appendix,
- (ii) A completed Interconnection Request Application, pursuant to Section 2 of this Appendix.
- (iii) Confirm site control consistent with SCGIP Section 1.5; and
- (vi) A Commercial Readiness Deposit equal to one times the study deposit described in Section 2.1 of this Appendix in the form of an irrevocable letter of credit, cash, or other form of security that is reasonably acceptable to by DESC. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 4.9 of this Appendix.

Interconnection Customer shall promptly inform DESC of any material change to Interconnection Customer's demonstration of Site Control under Section 4.1.2(iii) of this Appendix. If DESC determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, DESC shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to DESC's approval. Absent such, DESC shall deem the Interconnection Request withdrawn pursuant to Section 4.9 of this Appendix.

4.2.3 Acknowledgement of Interconnection Request.

DESC shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

4.2.4 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 4.1.2 of this Appendix have been received by DESC during the Cluster Request Window. If an Interconnection Request fails to meet the requirements set forth in Section 4.1.2 of this Appendix, DESC shall notify Interconnection

Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide DESC the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the close of the Cluster Request Window. At any time, if DESC finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and DESC shall work expeditiously and in good faith to remedy such issues by the close of the Customer Engagement Window. In the event that Interconnection Customer fails to comply with Section 4.1.4 of this Appendix, DESC shall deem the Interconnection Request withdrawn (without the cure period provided under Section 5.7 of this Appendix), the application fee is forfeited to DESC, and the study deposit and Commercial Readiness Deposit shall be returned to Interconnection Customer.

4.2.5 Customer Engagement Window.

Upon the close of each Cluster Request Window, DESC will open a sixty (60) Calendar Day Customer Engagement window. During the Customer Engagement Window, DESC shall hold a Scoping Meeting, further described in Section 4.1.6 of this Appendix, with all interested Interconnection Customers.

Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, DESC may shorten the Customer Engagement Window and begin the Cluster Study. Within ten (10) Business Days of opening the Customer Engagement Window, DESC shall post on its OASIS website a list of Interconnection Requests for that Cluster, identifying for each Interconnection Request:

- (i) the Cluster the Interconnection Request is in;
- (ii) the location by county;
- (iii) the distribution or transmission substation or transmission line or lines where the interconnection will be made; and
- (iv) the type of Generating Facility to be constructed including fuel type such as wind, natural gas, coal, or solar.

At the end of the Customer Engagement Window, all Interconnection Requests deemed complete and that have an executed Cluster Study Agreement shall be included in that Cluster. Any Interconnection Requests for which Interconnection Customer has not executed a Cluster Study Agreement shall be deemed withdrawn (without the cure period provided under Section 4.9 of this Appendix) by DESC, the administration fee shall be forfeited to DESC, and DESC shall return the study deposit and Commercial Readiness Deposit to Interconnection Customer. Immediately following the Customer Engagement Window, DESC shall initiate the Cluster Study described in Section 4.5 of this Appendix.

4.2.6 Cluster Study Scoping Meeting.

During the Customer Engagement Window, DESC shall host a Scoping Meeting for all Interconnection Customers with valid Interconnection Requests received in the Cluster Request Window.

The purpose of the Scoping Meeting is to discuss alternative interconnection options; to exchange information, including any available transmission data that would reasonably be expected to impact such interconnection options; to discuss the Cluster Study materials posted to OASIS, and to analyze such information. DESC and Interconnection Customers will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. DESC and Interconnection Customers will each bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate a single and definitive Point of Interconnection to be studied by DESC during the Cluster Study.

If the Cluster Study Scoping Meeting consists of more than one Interconnection Customer, DESC shall issue, no later than fifteen (15) Business Days after the commencement of the Customer Engagement Window, and Interconnection Customer shall execute a non-disclosure agreement prior to a group Cluster Study Scoping Meeting, which will provide for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

4.3 Initiation of a Resource Solicitation Cluster.

At any time, and solely for purposes of administering a Commission approved Competitive Resource Solicitation, DESC may initiate a Resource Solicitation Cluster. DESC may administer the Resource Solicitation Cluster either separately or as part of a previously initiated Cluster Study. Where the Resource Solicitation Cluster is studied separately from an existing Cluster, the Resource Solicitation Cluster shall respect Queue Position and shall be studied as its own Cluster based upon a DESC designated Queue Number where DESC represents the Interconnection Customer(s) in connection with a Competitive Resource Solicitation and shall study the Cluster based upon the Queue Number of the Resource Solicitation Cluster relative to the Queue Position of all other Interconnection Requests/Clusters.

DESC shall publicize the scope of study and timeframe to initiate the Resource Solicitation Cluster study as part of the Competitive Resource Solicitation. The timelines shall indicate the close of the Customer Engagement Window for that Resource Solicitation Cluster. Where DESC is administering the Resource Solicitation Cluster as part of an existing Cluster, the Cluster shall proceed as described in Sections 4.5.1, 4.5.3 and 4.5.4. An Interconnection Customer participating in a Resource Solicitation Cluster initiated by the Transmission Provider that withdraws its Interconnection Request from that Resource Solicitation Cluster no later than thirty (30) Calendar Days after receiving notice from the Transmission Provider that such Interconnection Customer was not selected to continue to participate in the Resource Solicitation Cluster, will not be subject to a Withdrawal Penalty.

A Generating Facility that initially is included in a Resource Solicitation Cluster may also reserve a later Queue Position separate from the Resource Solicitation Cluster. In either case, the Interconnection Customer must meet all requirements associated with maintaining each Queue Position.

Prior to the commencement of the Facilities Study, DESC must select one of the studied combinations by identifying which Generating Facility or combination of Generating Facilities has been determined to meet the goals of the Competitive Resource Solicitation.

While conducting the Cluster, DESC may suspend further action on the Interconnection Requests in the Competitive Resource Solicitation that are not included in the selected combination. Where

a Competitive Resource Solicitation is administered as part of an annual Cluster Study, an Interconnection Customer that is rejected in the Competitive Resource Solicitation may elect to continue to be studied as part of the Cluster Study by continuing to meet the Cluster Study and Cluster Restudy requirements. In contrast, where a Generating Facility is rejected in a Resource Solicitation Cluster Process administered separately from a Cluster, the Generating Facility shall lose the Queue Position it held as part of the Competitive Resource Solicitation. If a Generating Facility is selected at the conclusion of the Competitive Resource Solicitation, the Generating Facility may no longer maintain more than one Queue Position.

Prior to the completion of the Facilities Study, DESC may replace a Generating Facility or combination of Generating Facilities, subject to any necessary restudy requirements pursuant to Sections 4.5.4 or .

4.4 Allocation of Study Costs for the Cluster Study.

DESC shall determine each Interconnection Customer's share of the costs of completing the Cluster Study (including general queue administration costs and overheads) by allocating: (1) ten percent (10%) of the applicable study costs to Interconnection Customers on a per capita basis based on the number of Interconnection Requests included in the applicable Cluster; and (2) ninety percent (90%) of the applicable study costs to Interconnection Customers on a pro-rata basis based on requested megawatts included in the applicable Cluster. If an Interconnection Customer exits the Cluster prior to DESC completing the Cluster Study, then DESC shall determine each Interconnection Customer's costs of preparing for and completing the Cluster Study and shall then separately determine each remaining Interconnection Customer's costs for the remainder of the Cluster Study.

If a Cluster Restudy or general restudy is required pursuant to Section 4.6.2, then DESC shall allocate the costs of the restudy as provided for in this section amongst the Interconnection Customers included in the restudy. If an Interconnection Customer proposes non-material changes to its Interconnection Request requiring limited restudy, the costs of the limited restudy shall be directly assigned to the requesting Interconnection Customer. Facilities Study costs shall be directly assigned to the Interconnection Customer associated with such study.

4.4.1 Allocation of Interconnection Facilities and Upgrade Costs Within the Cluster Study.

DESC shall calculate each Interconnection Customer's share of System Upgrades and Interconnection Facilities costs in the following manner:

- a) Interconnection Upgrades associated with switching stations or substations shall be allocated based on the number of Generating Facilities interconnecting at an individual station on a per capita basis (i.e. on a per Interconnection Request basis). If multiple Interconnection Customers are connecting to DESC's System through shared Interconnection Facilities, those Interconnection Customers shall be considered one Interconnection Customer for the per capita calculation described in the preceding sentence. Shared Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing the Interconnection Facilities on a per capita basis.
- b) All Network Upgrades other than those identified in Subsection 4.4.a shall be allocated based on the proportional impact of each individual Generating Facility on such Network Upgrades. The proportional impact of such Network Upgrades shall be calculated as follows. All transmission lines and transformers identified as Network Upgrades shall be allocated using distribution factor analysis. Voltage support related Upgrades shall be allocated using a voltage impact analysis that identifies each Generating Facility's contribution to the voltage violation. System Upgrades associated with upgrading existing breakers due to short circuit current exceeding breaker capability shall be allocated proportionally based on the short circuit current contribution of each Interconnection Request.
- c) Costs of Distribution Upgrades shall be allocated or assigned to each Interconnection Customer based upon the proportional impact of each individual Generating Facility based upon the need for the Distribution Upgrade. Distribution line work (e.g., reconductoring) shall be allocated to those Generating Facilities contributing to the need for the Upgrade on a per MW basis, based upon location (% of Upgrade). All other Distribution Upgrade costs shall be allocated on a per capita basis (i.e. on a per Interconnection Request basis) based upon the number of projects on the feeder or substation contributing to the need for the Upgrade.

- d) Costs of Interconnection Facilities are directly assigned to the Interconnection Customer(s) using such facilities.

4.5 Cluster Study

4.5.1 Execution of Cluster Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided for in Section 4.1.6, no later than five (5) Business Days after the close of a Cluster Request Window, DESC shall provide to the Interconnection Customer a Cluster Study Agreement in the form of Attachment 4 to this Appendix. During the Customer Engagement Window, DESC shall provide to each Interconnection Customer proposing to enter the DISIS Cluster a non-binding updated good-faith estimate of the cost and timeframe for completing the Cluster Study and a Cluster Study Agreement to be executed prior to the close of the Customer Engagement Window.

The Interconnection Customer shall execute the Cluster Study Agreement and deliver the executed Cluster Study Agreement to DESC no later than the close of the Customer Engagement Window or its Interconnection Request shall be withdrawn.

If Interconnection Customer does not provide all required technical data when it delivers the Cluster Study Agreement, DESC shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Cluster Study Agreement and Interconnection Customer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Cluster Study Agreement or study deposit.

4.5.2 Scope of Cluster Study .

The Cluster Study shall evaluate the impact of the proposed Interconnection Requests in the Cluster on the reliability of DESC's System. The Cluster Study will consider DESC's Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued requests) that, on the date the Cluster Study is commenced: (i) are existing and directly interconnected to DESC's System; (ii) are existing and interconnected to Affected Systems and may have an impact on the Interconnection Request; and (iii) have a pending

Interconnection Request to interconnect to DESC's System with a higher Queue Position than the Cluster.

The Cluster Study consists of a power flow and voltage analysis, as well as a short circuit analysis and a stability analysis. Any restudies may consist of any one or combination of the following, as needed: (i) a power flow/voltage analysis, (ii) a short circuit analysis, and/or (iii) a stability analysis. The Cluster Study Report(s) shall state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnections, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Cluster Study Report(s) shall provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good-faith preliminary estimate of the required Upgrades, including cost responsibility for Interconnection Customers in the Cluster, and a non-binding good-faith estimated time to construct.

The Cluster Study shall evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting. Transmission Provider shall evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, Applicable Reliability Standards, and Applicable Laws and Regulations. Transmission Provider shall include an explanation of the results of Transmission Provider's evaluation for each technology in the Cluster Study Report.

For purposes of clustering Interconnection Requests, DESC may make reasonable changes to the requested Point(s) of Interconnection as part of the Cluster Study to facilitate the efficient and reliable interconnection of Interconnection Customers at common points of interconnection. DESC shall notify Interconnection Customers in writing of any intended changes to the requested Point(s) of Interconnection and the Point(s) of Interconnection shall only change upon mutual agreement.

4.5.3 Cluster Study Procedures.

The following provides an overview and timeline of the Cluster Study Process.

- 4.5.3.1 The Cluster shall consist of all complete Interconnection Requests pursuant to Section 4.5 of this Appendix that have executed a Cluster Study Agreement, and have provided all required information before the close of the Customer Engagement Window. DESC shall use reasonable efforts to complete the Cluster Study within one hundred eighty (180) Calendar Days of the close of the Customer Engagement Window. Within ten (10) Business Days of simultaneously furnishing a Cluster Study Report to each Interconnection Customer within the Cluster and posting such report on OASIS, DESC will convene a Cluster Study Report Meeting.

At the request of Interconnection Customer or at any time DESC determines that it will not meet the required time frame for completing the Cluster Study, DESC shall notify Interconnection Customers as to the schedule status of the Cluster Study. If DESC is unable to complete the Cluster Study within the time period, it shall notify Interconnection Customers and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, DESC shall provide Interconnection Customers with power flow, short circuit and stability models for the Interconnection Customer's request for the Cluster Study, subject to confidentiality arrangements consistent with SCGIP Section 6.6.

4.5.4 Cluster Study Restudies

- 4.5.4.1 Within twenty (20) Calendar Days of the Cluster Study Report Meeting, each Interconnection Customer shall notify DESC in writing whether it intends to proceed to the SCGIP Section 4.4 Facilities Study, where failure to provide the required notice shall result in the Interconnection Request being withdrawn by the Interconnection Customer or deemed withdrawn by DESC and the Interconnection Customer being subject to a Withdrawal Penalty pursuant to Section 4.9.3. Additionally, within twenty (20) Calendar Days after the Cluster Study Report Meeting, Interconnection Customer must provide an additional deposit that brings the total Commercial Readiness Deposit submitted to DESC to five percent (5%) of Interconnection Customer's Network Upgrade cost assignment identified in

the Cluster Study in the form of an irrevocable letter of credit, cash, or other form of security that is reasonably acceptable to DESC. DESC shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 4.9 of this Appendix.

- i. If no Interconnection Customers withdraw, the Cluster Study Process shall advance to the SCGIP Section 4.4 Facilities Study stage. DESC shall notify the Interconnection Customers in writing that a Cluster Restudy is not required and simultaneously provide each Interconnection Customer the Facilities Study Agreement in the form of Attachment 3 of this Appendix.
- ii. If one or more Interconnection Customer(s) withdraws, DESC shall determine if a Cluster Restudy is necessary within thirty (30) Calendar Days after the Cluster Study Report Meeting. If DESC determines that a restudy is not necessary and a Cluster Restudy is not required, DESC shall provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination and the Cluster Study Process shall advance to the SCGIP Section 4.4 Facilities Study. When the updated Cluster Study Report is issued, DESC shall notify remaining Interconnection Customers, in writing, that a Cluster Restudy is not required and shall provide each of those Interconnection Customers the Facilities Study Agreement in the form of Attachment 3 of this Appendix.
- iii. If one or more Interconnection Customers withdraws from the Cluster and DESC determines that a Cluster Restudy is necessary, DESC will continue with such restudies until DESC determines that no further restudies are required. If an Interconnection Customer withdraws after the Cluster Restudy or during the Facilities Study stage and DESC determines that restudies are necessary, the Cluster shall be restudied. DESC shall notify each remaining Interconnection Customer, in writing, that a restudy is required. Any

cost of restudy shall be borne by Interconnection Customer(s) being restudied except as provided in Section 4.9 of this Appendix in the case of withdrawing Interconnection Customers.

4.5.4.2 If required by DESC under Section 4.5.4.1, Interconnection Customers shall continue with a Cluster Study Restudy. A Cluster Restudy may consist of any one or combination of the following, as needed, for the Interconnection Customers remaining in the Cluster: (i) a power flow/voltage analysis, (ii) a short circuit analysis, and/or (iii) a stability analysis. DESC shall use reasonable efforts to complete the Cluster Restudy analysis within one hundred twenty (120) Calendar Days.

4.6 Facilities Study Facilities Study Timeline.

4.6.1 Where DESC administers a Cluster Study Process and is completing a Facilities Study for all Interconnection Customers within a Cluster or Resource Solicitation Cluster, DESC shall use reasonable efforts to complete the Facilities Study within one hundred fifty (150) Calendar Days for all Interconnection Customers within the Cluster.

4.6.1.1 Within thirty (30) Calendar Days of receiving a Facility Study Agreement, each Interconnection Customer within the Cluster that has completed the Cluster Study process is required to (i) return an executed Facilities Study Agreement in the form of Attachment 3 of this Appendix (executed and including all required data identified therein [Exhibit A]); and (ii) provide an additional deposit that brings the total Commercial Readiness Deposit submitted to DESC to ten percent (10%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an irrevocable letter of credit, cash, or other form of security that is reasonably acceptable to DESC. DESC shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 4.9 of this Appendix.

4.6.1.2 Interconnection Customers that do not provide the executed Facilities Study Agreement and Commercial Readiness Deposit by the required date shall withdraw or be deemed

withdrawn by DESC and are subject to a Withdrawal Penalty pursuant to Section 4.9.

- 4.6.1.3 At the request of an Interconnection Customer or at any time DESC determines that it will not meet the indicated timeframe for completing the Cluster Study, DESC shall notify Interconnection Customer(s) in writing as to the schedule status of the Cluster Study. If DESC is unable to complete the Cluster Study within the time period, it shall notify Interconnection Customer(s) and provide an estimated completion date with an explanation of the reasons why additional time is required.

4.6.2 Restudy.

If restudy of the Facilities Study or of the Cluster Study, other than the restudy described above in Section 4.5.4, is required due to a higher or equal priority queued project dropping out of the Queue, or due to modification of an earlier queued project subject to SCGIP Section 1.6, DESC shall notify the Interconnection Customer(s) within the Cluster in writing. DESC shall make reasonable efforts to ensure such restudy takes no longer than sixty (60) Calendar Days from the date of notice. Any cost of restudy shall be borne by Interconnection Customer(s) being restudied except as provided in Section 4.9 of this LGIP in the case of withdrawing Interconnection Customers.

4.7 Interconnection Agreement and Scheduling.

- 4.7.1 DESC and the Interconnection Customer shall follow the SCGIP Section 5 Interconnection Agreement and Scheduling processes with the following additional requirements:

- 4.7.1.1 In addition to submitting the executed SCGIA to Utility by the deadline specified in SCGIP Section 5.2.2, Interconnection Customer must provide Utility with the following: (1) demonstration of continued Site Control; and (2) the SCGIA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the Facilities Study Report minus the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to Utility.
- 4.7.1.2 Utility shall use the SCGIA Deposit as the Interconnection Customer's security required under SCGIP Section 5.2.4

(or a portion thereof). If Interconnection Customer fails to provide (1) and (2) above to Utility by the deadline specified in SCGIP Section 5.2.2, the Interconnection Request will be deemed withdrawn pursuant to Section 4.9 of this Appendix.

4.7.1.3 At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (i) execution of a contract for the engineering for, procurement of major equipment for, or construction of the Generating Facility; (ii) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; or (iii) application for an air, water, or land use permit.

4.7.2 Interconnection Customers that fail to meet the requirements of Appendix Section 4.7.1 shall withdraw or be deemed withdrawn by DESC and are subject to a Withdrawal Penalty pursuant to Section 4.9.3 of this Appendix. .

4.8 Processing Interconnection Request During Pending Dispute.

4.8.1 Where an Interconnection Customer initiates a dispute pursuant to SCGIP Section 6.2 after entering the Definitive Interconnection Study Process, the disputing Interconnection Customer shall have the option to either withdraw from the Cluster and be studied as part of the next Cluster or to continue being evaluated as part of the Cluster provided that it complies with all requirements of the Cluster Study Process to include providing Commercial Readiness Deposits in accordance with Sections 4.1.2, 4.5.4, and 4.6.1.

4.9 Withdrawal of An Interconnection Request.

As described in SCGIP 6.3.1, an Interconnection Customer may withdraw an Interconnection Request at any time prior to executing an Interconnection Agreement by providing DESC with a written request for withdrawal, and, as described in SCGIP 6.3.2, an Interconnection Request shall be deemed withdrawn if the Interconnection Customer fails to meet its obligations specified in the Interconnection Procedures, Cluster Study Agreement or Facility Study Agreement or to take advantage of any express opportunity to cure. If an Interconnection Customer is deemed withdrawn, DESC shall provide written notice to the Interconnection Customer with an explanation

of the reason(s) for the deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify DESC of its intent to pursue Dispute Resolution.

Where an Interconnection Customer requests withdrawal, or is deemed withdrawn and does not cure the deficiency, during the Cluster Study Process, DESC shall follow the process established in SCGIP 6.3.3. and shall (i) impose the Withdrawal Penalty described in Section 4.9.1, and (ii), refund any of the refundable portion of Interconnection Customer's study deposit that exceeds the share of the costs assigned to the Interconnection Customer that DESC has incurred after settling the final invoice pursuant to SCGIP Section 6.3.3. If an invoice is not paid within the timeframe provided in SCGIP Section 6.3.3, DESC shall draw upon the security provided to settle all accounts, which shall include any offsets of amounts due and owing by DESC. After the final invoice is paid and all accounts are settled, DESC shall refund or release all remaining security.

4.9.1 Withdrawal Penalty.

- a. An Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or the Generating Facility does not otherwise reach Commercial Operation unless DESC determines consistent with Good Utility Practice that (1) the withdrawal does not negatively affect the timing or cost to interconnect of equal or lower queued projects; or (2) the cost responsibility identified for that Interconnection Customer in the current study report associated with Network Upgrades to the DESC system increased by more than twenty-five percent (25%) compared to the costs identified in the previous report; or (3) if the Interconnection Customer withdraws after the Facilities Study report is published and the cost responsibility for that Interconnection Customer identified in the Facilities Study report increases by more than one hundred percent (100%) compared to the prior report.

4.9.1.1 Calculation of the Withdrawal Penalty.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the initial Cluster Study, Interconnection Customer shall not be subject to a Withdrawal Penalty. If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach Commercial Operation at any

point after the commencement of the initial Cluster Study, that Interconnection Customer's Withdrawal Penalty shall be calculated as follows:

1. If the Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Facilities Study if no Cluster Restudy is required,, the Withdrawal Penalty shall be the higher of the study deposit or two (2) times the Interconnection Customer's actual allocated cost of the Cluster Study Process.
2. If the Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Section 4.5.4 of this Appendix, but prior to commencement of the Facilities Study,, the Withdrawal Penalty shall be the higher of the study deposit or five percent (5%) of its estimated Network Upgrade costs.
3. If the Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Facilities Study Report issued pursuant to Section 4.6.1 of this Appendix, but prior to execution of an SCGIA, the Withdrawal Penalty shall be the higher of the study deposit or ten percent (10%) of its estimated Network Upgrade costs..
- 4.

4.9.1.2 Calculation of the Withdrawal Penalty for Projects with Executed Interconnection Agreements.

The Withdrawal Penalty for any Interconnection Customer that has executed an Interconnection Agreement pursuant to Appendix Section 4.7 and paid the required SCGIA Deposit is the higher of the study deposit or twenty (20%) of its estimated Network Upgrade costs.

4.9.2 Distribution of Withdrawal Penalty.

4.9.2.1 Initial Distribution of Withdrawal Penalties Prior to Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster.

For a single Cluster, DESC shall hold all Withdrawal Penalty funds until all Interconnection Customers in that Cluster have either: (1) withdrawn or been deemed withdrawn; and (2) executed an SCGIA. Any Withdrawal Penalty funds collected from the Cluster shall first be used to fund studies conducted under the Cluster Study Process for Interconnection Customers in the same Cluster that have executed the SCGIA. Next, after the Withdrawal Penalty funds are applied to relevant study costs in the same Cluster, DESC will apply the remaining Withdrawal Penalty funds to reduce net increases, for Interconnection Customers in the same Cluster, in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 6 of the pro forma SCGIA attributable to the impacts of withdrawn Interconnection Customers that shared an obligation with the remaining Interconnection Customers to fund a Network Upgrade, as described in more detail in Sections 4.9.2.3 and 4.9.2.4. The total amount of funds used to fund these studies under the Cluster Study Process or those applied to any net increases in Network Upgrade costs for Interconnection Customers in the same Cluster shall not exceed the total amount of Withdrawal Penalty funds collected from the Cluster.

Withdrawal Penalty funds shall first be applied as a refund to invoiced study costs for Interconnection Customers in the same Cluster that did not withdraw within thirty (30) Calendar Days of such Interconnection Customers executing their SCGIA. Distribution of Withdrawal Penalty funds within one specific Cluster for study costs shall not exceed the total actual Cluster Study Process costs for the Cluster. Withdrawal Penalty funds applied to study costs shall be allocated within the same Cluster to Interconnection Customers in a manner consistent with DESC's method in Section 4.3 of this Appendix for allocating the costs of Interconnection Studies conducted on a clustered basis. DESC shall post the balance of Withdrawal Penalty funds

held by DESC but not yet dispersed on its OASIS site and update this posting on a quarterly basis.

If an Interconnection Customer withdraws after it executes its SCGIA, DESC shall first apply such Interconnection Customer's Withdrawal Penalty funds to any restudy costs required due to Interconnection Customer's withdrawal as a credit to as-yet-to be invoiced study costs to be charged to the remaining Interconnection Customers in the same Cluster in a manner consistent with DESC's method in Section 4.3 of this Appendix for allocating the costs of Interconnection Studies conducted on a clustered basis. Distribution of the Withdrawal Penalty funds for such restudy costs shall not exceed the total actual restudy costs.

4.9.2.2 Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster.

If Withdrawal Penalty funds remain for the same Cluster after the Withdrawal Penalty funds are applied to relevant study costs, DESC will determine if the withdrawn Interconnection Customers, at any point in the Cluster Study Process, shared cost assignment for one or more Network Upgrades with any remaining Interconnection Customers in the same Cluster based on the Cluster Study Report, Cluster Restudy Report(s), Interconnection Facilities Study Report, and any subsequent issued restudy report issued for the Cluster.

In Section 4.9.2 of this Appendix, shared cost assignments for Network Upgrades refers to the cost of Network Upgrades still needed for the same Cluster for which an Interconnection Customer, prior to withdrawing its Interconnection Request, shared the obligation to fund along with Interconnection Customers that have executed an SCGIA.

If DESC's assessment determines that there are no shared cost assignments for any Network Upgrades in the same Cluster for the withdrawn Interconnection Customer, or determines that the withdrawn Interconnection Customer's withdrawal did not cause a net increase in the shared cost assignment for any remaining Interconnection Customers' Network Upgrade(s) in the same Cluster, DESC will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customer(s).

Such remaining Withdrawal Penalty funds will be returned to withdrawn Interconnection Customers based on the proportion of each withdrawn Interconnection Customer's contribution to the total amount of Withdrawal Penalty funds collected for the Cluster (i.e., the total amount before the initial disbursement required under Section 4.9.2.1 of this Appendix). DESC must make such disbursement within sixty (60) Calendar Days of the date on which all Interconnection Customers in the same Cluster have either: (1) withdrawn or been deemed withdrawn; or (2) executed an SCGIA. For the withdrawn Interconnection Customers that DESC determines have caused a net increase in the shared cost assignment for one or more Network Upgrade(s) in the same Cluster under Section 4.9.2.3(a) of this Appendix, DESC will determine each such withdrawn Interconnection Customers' Withdrawal Penalty funds remaining balance that will be applied toward net increases in Network Upgrade shared costs calculated under Sections 4.9.2.3(a) and 4.9.2.3(b) of this Appendix based on each such withdrawn Interconnection Customer's proportional contribution to the total amount of Withdrawal Penalty funds collected for the same Cluster (i.e., the total amount before the initial disbursement requirement under Section 4.9.2.1 of this Appendix).

If DESC's assessment determines that there are shared cost assignments for Network Upgrades in the same Cluster, DESC will calculate the remaining Interconnection Customers' net increase in cost assignment for Network Upgrades due to a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customer and distribute Withdrawal Penalty funds as described in Section 4.9.2.3, depending on whether the withdrawal occurred before the withdrawing Interconnection Customer executed the SCGIA, as described in Section 4.9.2.3(a) of this Appendix, or after such execution of an SCGIA, as described in Section 4.9.2.3(b) of this Appendix.

As discussed in Section 4.9.2.4 of this Appendix, DESC will amend executed SCGIAs of the remaining Interconnection Customers in the same Cluster to apply the remaining Withdrawal Penalty funds to reduce net increases in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 6

of the pro forma SCGIA attributable to the impacts of withdrawn Interconnection Customers on Interconnection Customers remaining in the same Cluster that had a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customers.

4.9.2.3 Impact Calculations.

4.9.2.3(a) Impact Calculation for Withdrawals During the Cluster Study Process.

If an Interconnection Customer withdraws before it executes its SCGIA, DESC will distribute in the following manner the Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining

Interconnection Customers in the same Cluster who had a shared cost assignment for a Network Upgrade with the withdrawn Interconnection Customer.

To calculate the reduction in the remaining Interconnection Customers' net increase in Network Upgrade costs and associated financial security requirements under Article 6 of the pro forma SCGIA, DESC will determine the financial impact of a withdrawing Interconnection Customer on other Interconnection Customers in the same Cluster that shared an obligation to fund the same Network Upgrade(s). DESC shall calculate this financial impact once all Interconnection Customers in the same Cluster either: (1) have withdrawn or have been deemed withdrawn; or (2) executed an SCGIA. DESC will perform the financial impact calculation using the following steps.

4.9.2.4 First, DESC must determine which withdrawn Interconnection Customers shared an obligation to fund Network Upgrades with Interconnection Customers from the same Cluster that have SCGIAs that are executed. Next, DESC shall perform the calculation of the financial impact of a withdrawal on another Interconnection Request in the same Cluster by performing a comparison

of the Network Upgrade cost estimates between each of the following:

- (1) Cluster Study phase to Cluster Restudy phase (if Cluster Restudy was necessary);
- (2) Cluster Restudy phase to Interconnection Facilities Study phase (if a Cluster Restudy was necessary);
- (3) Cluster Study phase to Interconnection Facilities Study phase (if no Cluster Restudy was performed);
- (4) Interconnection Facilities Study phase to any subsequent restudy that was performed before the execution of an SCGIA;
- (5) The Interconnection Facilities Study reflected in the executed SCGIA to any subsequent restudy conducted after the execution of an SCGIA.

If, based on the above calculations, DESC determines:

- (i) that the costs assigned to an Interconnection Customer in the same Cluster for Network Upgrades that a withdrawn Interconnection Customer shared cost assignment for increased between any two studies, and
- (ii) after the impacted Interconnection Customer's SCGIA was executed, Interconnection Customer's cost assignment for the relevant Network Upgrade is greater than it was prior to the withdrawal of Interconnection Customer in the same Cluster that shared cost assignment for the Network Upgrade,

then DESC shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs in the amount of the financial impact by reducing, in the same Cluster, the remaining Interconnection Customer's Network Upgrade costs and associated financial security requirements under Article 6 of the pro forma SCGIA

If DESC determines that more than one Interconnection Customer in the same Cluster was financially impacted by the same

withdrawn Interconnection Customer, DESC will apply the relevant withdrawn Interconnection Customer's Withdrawal Penalty funds that have not already been applied to study costs to reduce the financial impact to each Interconnection Customer based on each Interconnection Customer's proportional share of the financial impact, as determined by either the Proportional Impact Method if it is a System Network Upgrade or on a per capita basis if it is a Substation Network Upgrade, as described under Section 4.4 of this Appendix.

4.9.2.3(b) Impact Calculation for Withdrawals in the Same Cluster After the Cluster Study Process.

If an Interconnection Customer withdraws after it executes its SCGIA, DESC will distribute in the following manner the remaining Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment with the withdrawn Interconnection Customer for one or more Network Upgrades.

DESC will determine the financial impact on the remaining Interconnection Customers in the same Cluster within thirty (30) Calendar Days after the withdrawal occurs. DESC will determine that financial impact by comparing the Network Upgrade cost funding obligations Interconnection Customers shared with the withdrawn Interconnection Customer before the withdrawal of Interconnection Customer and after the withdrawal of Interconnection Customer. If that comparison indicates an increase in Network Upgrade costs for an Interconnection Customer, DESC shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds to the increased costs each impacted Interconnection Customer in the same Cluster experienced associated with such Network Upgrade(s) in proportion to each Interconnection Customer's increased cost assignment, as determined by DESC.

4.9.2.5 Amending SCGIA to Apply Reductions to Interconnection Customer's Assigned Network Upgrade Costs and Associated

Financial Security Requirement with Respect to Withdrawals in the Same Cluster.

Within thirty (30) Calendar Days of all Interconnection Customers in the same Cluster having: (1) withdrawn or been deemed withdrawn; or (2) executed an SCGIA, DESC must perform the calculations described in Section 4.9.2.3(a) of this Appendix and provide such Interconnection Customers with an amended SCGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 6 of the pro forma SCGIA, due from Interconnection Customer to DESC.

Where an Interconnection Customer executes the SCGIA and is later withdrawn or its SCGIA is terminated, DESC must, within thirty (30) Calendar Days of such withdrawal or termination, perform the calculations described in Section 4.9.2.3(b) of this Appendix and provide such Interconnection Customers in the same Cluster with an amended SCGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 6 of the pro forma SCGIA, due from Interconnection Customer to DESC.

4.9.2.6 Final Distribution of Withdrawal Penalty Funds.

If Withdrawal Penalty funds remain for the Cluster after the Withdrawal Penalty funds are applied to relevant study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers, DESC will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customers in the same Cluster net of the amount of each withdrawn Interconnection Customer's Withdrawal Penalty funds applied to study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers.

Attachment 1

Glossary of Terms (Cluster Study Process Supplement)

Base Case – The base case power flow, short circuit, and stability data bases used by DESC for completing interconnection studies for the Interconnection Customer.

Calendar Days – Sunday through Saturday, including all holidays.

Cluster – A group of Interconnection Requests (one or more) that are studied together for the purpose of conducting the Interconnection Studies.

Clustering – The process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the System Impact Study.

Commercial Readiness Deposit - a deposit paid as set forth in Sections 4.1.2, 4.5.4, and 4.6.1 of this Appendix.

Cluster Study Process – An alternative interconnection study process adopted by DESC, after notice and Commission approval, for purposes of administering a Cluster Study process. The Cluster Study Process is inclusive of the Cluster Request Window, Customer Engagement Window, Cluster System Impact Study, and the Interconnection Facilities Study.

Cluster Study– An engineering study that evaluates the impact of a Cluster of Interconnection Requests on the safety and reliability of DESC's System and, if applicable, an Affected System.

Cluster Study Agreement– Form of System Impact Study agreement contained in Attachment 4 for conducting the Cluster Study.

Cluster Request Window – A forty -five (45) Calendar Days window during which DESC will receive Interconnection Requests for its Definitive Interconnection Study Process.

Resource Plan – An integrated resource plan filed by DESC with the Commission pursuant to S.C. Code Ann. § 58-37-40.

Resource Solicitation Cluster – A Cluster Study associated with a Resource Plan, Competitive Resource Solicitation or related process.

SCGIA Deposit - the deposit Interconnection Customer submits when returning the executed South Carolina Generator Interconnection Agreement (SCGIA).

South Carolina Generator Interconnection Procedures – The term “South Carolina Generator Interconnection Procedures” shall refer to the South Carolina Generator Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Generator Interconnections as approved by the Public Service Commission of South Carolina.

Withdrawal Penalty – A penalty assigned (if applicable) to an Interconnection Customer that withdraws from the Definitive Interconnection Study Process. Withdrawal penalty shall have the meaning set forth in Sections 4.9.2 and 4.9.3 of this Appendix.

CLUSTER STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20 ____ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and Dominion Energy South Carolina, Inc., a Corporation existing under the laws of the State of South Carolina, ("Utility"). Interconnection Customer and Utility each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____ and received by the Utility on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Utility's System and to deliver the full output of the Generating Facility to Utility subject to the terms of the South Carolina Generator Interconnection Procedures; and

WHEREAS, the Interconnection Customer has requested the Utility to perform a Cluster Study to assess the impact of interconnecting the Generating Facility to the Utility's System, and of any Affected Systems; and

WHEREAS, the Interconnection Customer commits to provide certain Readiness Milestones or financial security if readiness cannot be demonstrated through the Definitive Interconnection Study process as described in Section 5 of Appendix DESC CS of the South Carolina Generator Interconnection Procedures.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the South Carolina Generator Interconnection Procedures.
- 2.0 Interconnection Customer elects and DESC shall cause to be performed a Cluster Study consistent with Section 5 of Appendix DESC CS of the South Carolina Generator Interconnection Procedures.
- 3.0 The scope of the Cluster Study shall be subject to the assumptions set forth in Exhibit A to this Agreement.
- 4.0 The Cluster Study shall be based upon the technical information provided by the Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 1.6 and 4.1 of the South Carolina Generator Interconnection Procedures. The Utility reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Cluster Study. If the information requested

by the Utility is not provided by the Interconnection Customer within a reasonable timeframe to be identified by the Utility in writing, the Utility shall provide the Interconnection Customer written notice providing an opportunity to cure such failure by the close of business on the tenth (10th) Business Day following the posted date of such notice, where failure to provide the information requested within this period shall result in the study being terminated and the Interconnection Request being deemed withdrawn.

5.0 The final Cluster Study report shall provide the following information, as appropriate:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
- description and non-binding, good-faith estimated cost of facilities required to interconnect the Generating Facility to the Utility's System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit as specified in Section 2 of Appendix DESC CS of the South Carolina Generator Interconnection Procedures for the performance of the Cluster Study. The Utility's good-faith estimate for the time of completion of the Cluster Study (Phase 2) is **[insert date]**.

Upon receipt of the Definition Interconnection System Impact Study results (Post Phase 3 Results), or withdrawal of the Interconnection Request, the Utility shall charge and Interconnection Customer shall pay the actual costs of the Cluster Study, and the Withdrawal Penalty, as applicable, allocated according to Section 5.3.3 and 5.7.3 of Appendix DESC CS of the South Carolina Generator Interconnection Procedures.

Any difference between the study deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate, except as otherwise provided herein. As provided in Section 6.3.3 of the South Carolina Generator Interconnection Procedures, Interconnection Customer has twenty (20) Business Days of receipt of an invoice from DESC to pay any undisputed costs. If invoices are not paid within twenty (20) Business Days of receipt of an invoice, DESC may draw upon the security provided to settle all accounts, which shall include any offsets of amounts due and owing by DESC. After the final invoice is paid and all accounts are settled, DESC shall refund all remaining security.

7.0 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 South Carolina, 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.

8.0 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

9.0 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.

10.0 Waiver

10.1 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.

10.2 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, or 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 to obtain an interconnection from the Utility. Any waiver of this Agreement shall, if requested, be provided in writing.

11.0 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.

12.0 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.

13.0 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.

14.0 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.

14.1 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 Utility 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.

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

15.0 Reservation of Rights

The Utility shall have the right to make a unilateral filing with the Commission to modify this Agreement with respect to any rates, terms and conditions, charges, or classifications of service, and the Interconnection Customer shall have the right to make a unilateral filing with the Commission to modify this Agreement; 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 Commission in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties except to the extent that the Parties otherwise agree as provided herein.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Utility, if applicable]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

EXHIBIT A

ASSUMPTIONS USED IN CONDUCTING THE CLUSTER

[Assumptions to be completed by Interconnection Customer and Utility]