

16. Study Procedures For Distribution Service Requests for Wholesale Distribution Load

16.1 Notice of Need for System Impact Study

After receiving an Application from an Eligible Customer with Wholesale Distribution Load, the Distribution Provider shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the Distribution Provider's methodology for completing a System Impact Study is provided in Attachment D. If the Distribution Provider determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, the Distribution Provider shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Distribution Provider for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to the Distribution Provider within fifteen (15) days. Alternatively, if the Eligible Customer requests the Distribution Provider to proceed with the System Impact Study and commits to abide by the terms, conditions, and cost assignments ultimately determined under the Dispute Resolution Procedures, including any determination by the Commission or appeal of a Commission determination in accordance with that process, the Distribution Provider shall promptly proceed with the System Impact Study, and the parties shall submit the disputed terms for resolution under the Dispute Resolution Procedures. If the Eligible Customer elects not to execute the System Impact Study Agreement, and does not request that the Distribution Provider proceed with the System Impact Study, its Completed Application shall be deemed

withdrawn and its deposit shall be returned with interest pursuant to the provisions of Section 15.2.

16.2 System Impact Study Agreement and Cost Reimbursement

The System Impact Study Agreement will clearly specify the Distribution Provider's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the Distribution Provider shall rely, to the extent reasonably practicable, on existing planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Distribution System.

16.3 System Impact Study Procedures

Upon receipt of an executed System Impact Study Agreement, the Distribution Provider will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify any system constraints, additional Direct Assignment Facilities or Distribution System Upgrades required to provide the requested service. In the event that the Distribution Provider is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer. The Distribution Provider will use the same due

diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. The Distribution Provider shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Distribution System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

16.4 Facilities Study Procedures

If a System Impact Study indicates that additions or upgrades to the Distribution System are needed to supply the Eligible Customer's service request, the Distribution Provider, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Distribution Provider for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to the Distribution Provider within fifteen (15) days. Alternatively, if the Eligible Customer requests the Distribution Provider to proceed with the Facilities Study and commits to abide by the terms, conditions, and cost assignments ultimately determined under the Dispute Resolution Procedures, including any determination by the Commission or appeal of a Commission determination in accordance with that process, the Distribution Provider shall promptly proceed with the Facilities Study, and the parties shall submit the disputed terms for resolution under the Dispute Resolution Procedures.

If the Eligible Customer elects not to execute the Facilities Study Agreement and does not request a study, its Completed Application shall be deemed withdrawn and its deposit shall be returned with interest pursuant to the provisions of Section 15.2. Upon receipt of an executed Facilities Study Agreement, the Distribution Provider will use due diligence to complete the required Facilities Study within a sixty (60) day period. If the Distribution Provider is unable to complete the Facilities Study in the allotted time period, the Distribution Provider shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Distribution System Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide the Distribution Provider with a letter of credit or other reasonable form of security acceptable to the Distribution Provider equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

16.5 Facilities Study Modifications

Any change in design arising from inability to site or construct facilities as proposed will require development of a revised good faith estimate. New good

faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of the Distribution Provider that significantly affect the final cost of new facilities or upgrades to be charged to the Distribution Customer pursuant to the provisions of the Tariff.

16.6 [Not Used]

16.7 Due Diligence in Completing New Facilities

The Distribution Provider will use due diligence to install all necessary facilities or to upgrade its Distribution System within a reasonable time. The Distribution Provider will not upgrade its existing or planned Distribution System in order to provide the requested Distribution Service if doing so would impair system reliability or otherwise impair or degrade existing distribution service. The costs of new facilities required to interconnect a new Wholesale Distribution Load shall be determined in accordance with the procedures provided in Section 16.4 and shall be charged to the Distribution Customer in accordance with Commission policies.

16.8 (Not Used)

16.9 (Not Used)