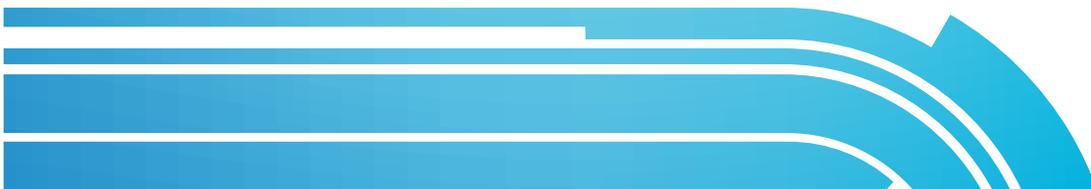


Distributed Resource Interconnection Procedures

Engineering Study Agreement

Effective: 2020 09 16

Available in accessible formats upon request.



ENGINEERING STUDY AGREEMENT

THIS AGREEMENT is made as of the _____ day of _____, 20••.

BETWEEN:

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(hereinafter referred to as “Customer”)

- and -

THE MANITOBA HYDRO-ELECTRIC BOARD,

(hereinafter referred to as “Manitoba Hydro”)

WHEREAS, Customer has submitted an Interconnection Request to Manitoba Hydro requesting that Manitoba Hydro evaluate the Customer’s proposal to interconnect the Generating Facility;

WHEREAS, Customer has been advised by Manitoba Hydro that an Engineering Study is necessary to assess the adequacy of the System and the impact on any other affected parties and to determine an estimate of the costs for the work and materials together with a timeline for the completion of the work that will be necessary in order to provide the necessary infrastructure to accommodate interconnecting the Generating Facility to the System;

AND WHEREAS, Customer has requested that Manitoba Hydro prepare an Engineering Study;

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

1.0 INTERPRETATION

1.1 **Defined Terms.** Unless otherwise specified in this Agreement, the following terms shall have the following meanings:

- a. “**Actual Study Costs**” shall have the meaning set forth in Section 4.1.
- b. “**Agreement**” shall mean this Engineering Study Agreement.

- c. “**Effective Date**” shall have the meaning set forth in Section 2.1.
- d. “**Estimated Study Costs**” shall have the meaning set forth in Section 4.1.
- e. “**Generating Facility**” shall mean the electrical generating facility described in the Interconnection Request proposed to be constructed by the Customer and interconnected to the System
- f. “**Good Utility Practice**” shall mean, at any particular time, any of the practices, methods and acts engaged in or approved by a significant portion of the hydro-electric utilities located in North America 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 a decision is made, could be expected to produce the desired result at the lowest reasonable cost consistent with 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 a range of reasonable practices, methods or acts.
- g. “**Interconnection Request**” shall mean the Interconnection Request relating to, and describing, the Generating Facility submitted by the Customer to Manitoba Hydro dated •. 20••.
- h. “**Manitoba Hydro Interconnection Facilities**” shall mean all facilities and equipment owned and controlled, operated and maintained by Manitoba Hydro that are necessary to physically and electrically interconnect the Generating Facility to the System.
- i. “**Party**” shall mean either Customer or Manitoba Hydro and “**Parties**” shall mean both Customer and Manitoba Hydro.
- j. “**Engineering Study**” shall mean the study required by Manitoba Hydro to determine whether the existing System can accommodate the Customer’s request to interconnect its proposed generating facility, and if not, the System Upgrades and the Manitoba Hydro Interconnection Facilities which will be required to accommodate the Customer’s request, and the estimate of the costs and the time necessarily required to design, procure and construct the System Upgrades and the Manitoba Hydro Interconnection Facilities.

k. “**Study Report**” shall mean the report prepared by Manitoba Hydro following the completion of the Study which will provide the following information:

1. Identification of any System constraints due to thermal overload, voltage limit violations, or instability or inadequately damped response to system disturbances as a result of the proposed interconnection of the Generating Facility;

2. Identification of any affected third parties as a result of the proposed interconnection of the Generating Facility;

3. Identification of any circuit breaker short circuit capability limits exceeded as a result of the proposed of the Generating Facility;

4. Identification of any System Upgrades and Manitoba Hydro Interconnection Facilities required as a result of the proposed interconnection of the Generating Facility;

5. Identification of operating requirements, if any, outlined from the study;

6. The costs to be paid by the Customer to install the System Upgrades and the Manitoba Hydro Interconnection Facilities required as a result of the proposed interconnection of the Generating Facility to be included in either an Energy Services Agreement or a comprehensive construction agreement in a form and content satisfactory to the Parties which shall, subject to the Parties entering into the said construction agreement, be binding upon Manitoba Hydro for 90 days after the release of the Study Report; and

7. A good faith estimate of the timeline to complete the installation of the System Upgrades and the Manitoba Hydro Interconnection Facilities as a result of the proposed interconnection of the Generating Facility.

1. “**System**” shall mean either Manitoba Hydro’s transmission or distribution system.

2.0 EFFECTIVE DATE, TERM AND TERMINATION

- 2.1 **Effective Date.** This Agreement shall become effective on the later of the following dates: (i) the date on which this Agreement is executed by the Parties; and (ii) the date that Manitoba Hydro receives payment of the Estimated Study Costs from the Customer (the “Effective Date”).
- 2.2 **Term.** This Agreement shall become effective as provided in Section 2.1 and shall continue in full force and effect until the earlier of the following dates: (i) the date upon which the Parties agree to terminate this Agreement; (ii) twenty four months after the Effective Date of this Agreement; (iii) the date of the issuance of the final Study Report; or (iv) the date upon which this Agreement is terminated pursuant to Section 2.3.
- 2.3 **Termination for Breach.** Either Party may terminate this Agreement for breach upon thirty (30) days written notice to the other Party of a breach by the other Party of this Agreement provided that such breach remains uncured during such (thirty) 30 day period.
- 2.4 **Liability on Termination.** On termination of this Agreement, Customer shall remain liable to Manitoba Hydro for reasonable costs of the Study already incurred to the date of termination. Manitoba Hydro shall use all reasonable efforts to minimize and avoid additional costs after the date Customer has provided written notice to terminate the Agreement pursuant to Section 2.3.

3.0 STUDY AND STUDY REPORT

- 3.1 **Scope and Coordination.** Subject to and in accordance with the provisions of this Agreement, Manitoba Hydro shall perform the Study for the Customer. The scope of the Study shall be determined by the data provided by the Customer. In the event that Manitoba Hydro requests, in accordance with Good Utility Practice, additional data and information to complete the Study, Manitoba Hydro will advise Customer as soon as practical of the additional data and information it reasonably requires and Customer shall provide such additional data and information upon request. Customer shall appoint and make available to Manitoba Hydro a designated and authorized representative through which Manitoba Hydro may coordinate work pertaining to the Study.
- 3.2 **Completion of Study and Study Report.** Manitoba Hydro shall use reasonable efforts to complete the Study and issue a Study Report within • (•) days of the Effective Date. If Manitoba Hydro is unable to complete the Study and Study Report within the study period, Manitoba Hydro shall notify Customer and provide an estimate of the additional time needed to complete the Study and finalize the preliminary Study Report. The Parties acknowledge that in the event that data or information provided by Customer is found by Manitoba Hydro to be incomplete or inaccurate the study may be delayed until such time as accurate and complete data or information is provided by Customer and the time to complete the Study

will be extended as Manitoba Hydro deems necessary. If a delay extends beyond fifteen (15) calendar days, Manitoba Hydro agrees to work with Customer in good faith toward setting a new completion date within a reasonable time and with a view to the Customer's needs for the Study. Within sixty (60) days of the issuance of the Study Report, Customer may make a request for supporting documents for the Study. Provided that the said request is received within the said sixty (60) day period, Manitoba Hydro shall, upon receipt of such request and subject to confidentiality arrangements with Customer agreeable to both Parties, provide supporting documentation for the Study.

4.0 STUDY COSTS

- 4.1 The Customer agrees to pay to Manitoba Hydro the actual costs for the performance by Manitoba Hydro of the Study and the preparation of the Study Report (the "Actual Study Costs"). The Customer shall pay to Manitoba Hydro, concurrent with the signing and delivery of this Agreement, the sum of • Dollars (\$) (plus applicable taxes) which sum represents an estimate of the Actual Study Costs (the "Estimated Study Costs"). The Customer hereby authorizes Manitoba Hydro to apply the funds representing the Estimated Study Costs toward payment of the Actual Study Costs as these costs are incurred. The Customer agrees to pay the amount of the Actual Study Costs which exceed the Estimated Study Costs, if any, within thirty (30) days of receipt of an invoice for such Actual Study Costs.
- 4.2 If after completion of the Study Report, or termination of this Agreement, the Estimated Study Costs exceeds the Actual Study Costs, Manitoba Hydro shall refund the excess amount to the Customer within thirty (30) days after delivery of the Study Report or within thirty (30) days of the withdrawal or termination of this Agreement, as the case may be.

5.0 GENERAL

- 5.1 **Governing Law.** This Agreement shall be governed and interpreted in accordance with the laws of the Province of Manitoba.
- 5.2 **Assignment.** This Agreement shall not be assigned without the prior written consent of the other Party.
- 5.3 **Amendments.** Any amendments to this Agreement shall be in writing and signed by the Parties.
- 5.4 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and terminates and supersedes all prior oral and written representations. There are no representations, conditions, warranties or agreements, express or implied, with respect to or collateral to this Agreement other than those contained or expressly incorporated herein. The Parties

shall make changes or additions, if any, to this Agreement in the same formality as this Agreement and by joint signatures.

- 5.5 **Survival.** The applicable provisions of this Agreement shall continue in effect after termination hereof to the extent necessary to provide for final billings, billing adjustments, the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect and for the enforcement of obligations that continue beyond the term of this Agreement as specifically provided herein.
- 5.6 **Relationship.** Manitoba Hydro is an independent contractor of the Customer for the services to be performed pursuant to this Agreement. This Agreement shall not create the relationship of employer and employee, principal and agent, partnership or joint venture between Manitoba Hydro and Customer or between Customer and any officers, employees or agents of Manitoba Hydro.
- 5.7 **Acknowledgement.** Customer acknowledges that, when conducting the Study and completing the Study Report, Manitoba Hydro is relying upon the accuracy and completeness of all information and data provided by, or on behalf of, the Customer pursuant to the terms of this Agreement. The Customer shall notify Manitoba Hydro immediately whenever the Customer becomes aware of a defect or deficiency in any of the Customer's information and data provided to Manitoba Hydro.
- 5.8 **Manitoba Hydro Representation.** Manitoba Hydro represents that the Study shall be conducted in accordance with Good Utility Practice.
- 5.9 **Notices.** Any notice, demand or request required or permitted to be given by a Party to the other and any instrument required or permitted to be tendered or delivered by a Party in writing to the other may be so given, tendered or delivered, as the case may be, by couriering or personally delivering same to the Party, or by delivering same by email, at the addresses set out below:

To Manitoba Hydro:

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To Customer:

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Any such notice, demand or request delivered in accordance with this Sections 5.9, if delivered:

- (a) by courier, shall be effective on the next business day after it was sent;
- (b) by personally delivery, shall be effective on the day it was personally delivered; and

- (c) by email, shall be effective when the recipient, by an email sent to the email address for the sender stated in this Section 5.9 or by notice delivered by another method in accordance with this Section 5.9, acknowledges having received that email, with an automatic “read receipt” not constituting acknowledgement of an email for the purposes of this Section 5.9.

The designation of the persons to be notified or the address of such persons may be changed at any time by similar notice.

5.10 **Execution.** This Agreement may be executed in any number of counterparts, including counterparts delivered via electronic mail or pdf, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A photocopied and/or electronic copy of this Agreement bearing a signature of each Party, in a single document or as counterparts thereof as provided for herein, shall be deemed an original executed version of this Agreement.

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

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By: _____
Name:

Title:

THE MANITOBA HYDRO-ELECTRIC BOARD

By: _____

Name:

Title: