

Contract No. DE-PM75-18SW00741

UNITED STATES
DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION

INTERCONNECTION AGREEMENT

AMONG

UNITED STATES OF AMERICA

AND

SOUTH CENTRAL MCN, LLC

AND

SOUTHWEST POWER POOL, INC.

<u>Article</u>	<u>Title</u>	<u>Page</u>
	Preamble	
	Preliminary Recitals	
I	DEFINITIONS	2
	1. System of South Central	2
	2. System of Southwestern	3
	3. System of SPP	3
	4. Communications System	3
	5. Uncontrollable Force	3
	6. Good Utility Practice	4
	7. Balancing Authority	4
	8. Balancing Authority Area	4
II	ESTABLISHMENT OF THE NIXA INTERCONNECTION	4
	1. Scope	4
	2. Balancing Authority Area Boundary and Inadvertent Flow	5
	3. System Operating and Maintenance Principles	7
	4. Reactive Power Loading and the Right to Suspend Interconnection	9
	5. Metering	10
	6. NERC Compliance	10
	7. Load Shedding	11
	8. Southwestern Right-of-Way	12
	9. Liability	13
	10. Upgrades, Additions, and Modifications	14

<u>Article</u>	<u>Title</u>	<u>Page</u>
III	EFFECTIVE DATE, TERM, BENEFITS, CONTINGENCIES, NOTICES, REPORTS, INFORMATION, AND OTHER GENERAL PROVISIONS	15
1.	Effective Date and Term of Agreement	15
2.	SPP Participation	16
3.	Recognition of Benefits and Contingencies Related to Other Contracts	17
4.	Notices	19
5.	Reports and Information	19
6.	General Contract Provisions	19
7.	Choice of Law	20
8.	Severability	20
9.	Federal Statutes	20

Exhibits:

"1" – General Contract Provisions, 100517

"2" – One-Line Diagram and Responsibilities of the Parties of the Nixa Interconnection

Contract No. DE-PM75-18SW00741

UNITED STATES
DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION

INTERCONNECTION AND OPERATING AGREEMENT

AMONG

UNITED STATES OF AMERICA

AND

SOUTH CENTRAL MCN, LLC

AND

SOUTHWEST POWER POOL, INC.

THIS INTERCONNECTION AND OPERATING AGREEMENT (hereinafter "Agreement"), made and entered into this 16th day of January, 2018, by and between the UNITED STATES OF AMERICA, represented by the Secretary of Energy, acting by and through the Administrator, Southwestern Power Administration (hereinafter "Southwestern"), an Administration within the Department of Energy, and SOUTH CENTRAL MCN, LLC (hereinafter "South Central"), a limited liability corporation organized and existing under the laws of the State of Delaware, acting through its duly authorized officials (Southwestern and South Central being hereinafter sometimes referred to individually as "Party" and collectively as "Parties"), and the SOUTHWEST POWER POOL, INC. (hereinafter "SPP"), a not-for-profit corporation organized and existing under the laws of the State of Arkansas, acting in its capacity as a Regional Transmission Organization (hereinafter "RTO"); WITNESSETH, That,

WHEREAS, Southwestern has constructed and operates a transmission system to fulfill its responsibilities pursuant to Section 302(a)(1) of the Department of Energy Organization

Act (91 Stat. 578; 42 U.S.C. 7152), Section 5 of the Flood Control Act of 1944 (58 Stat. 887, 890; 16 U.S.C. 825s), and Public Law 95-456 (92 Stat. 1230; 16 U.S.C. 825s-3; and

WHEREAS, Southwestern's transmission system includes a 161-kV transmission line (hereinafter "Transmission Line No. 3006") and a 161/69-kV substation and interconnection facilities in the vicinity of Nixa, Missouri (hereinafter "Southwestern's Nixa Substation"), which are interconnected with the 69-kV transmission facilities currently owned by the City of Nixa, Missouri; and

WHEREAS, the City of Nixa, Missouri, desires and intends to sell its 69-kV transmission facilities, including the facilities interconnected with Southwestern's facilities at Southwestern's Nixa Substation, to South Central upon South Central receiving approval of the acquisition by the Federal Energy Regulatory Commission; and

WHEREAS, accordingly, the Parties and SPP desire to provide for the continued interconnection and operation of Southwestern's facilities at Southwestern's Nixa Substation with the facilities to be owned by South Central upon the effective date of the acquisition pursuant to the terms and conditions herein;

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

ARTICLE I
DEFINITIONS

Section 1. System of South Central. The term "System of South Central," as used herein, shall mean the transmission, and related facilities owned by South Central and/or the generation, transmission, and related facilities owned by others, the capacity of which, by contract, is available to and utilized by South Central to satisfy its requirements and obligations to Southwestern under this Agreement.

Section 2. System of Southwestern. The term "System of Southwestern," as used herein, shall mean the generation, transmission, and related facilities owned by Southwestern and/or the generation, transmission, and related facilities owned by others, the capacity of which, by contract, is available to and utilized by Southwestern to satisfy its requirements and obligations to South Central under this Agreement.

Section 3. System of SPP. The term "System of SPP," as used herein, shall mean the generation, transmission, and related facilities controlled or operated by SPP that are used to provide transmission service under Part II and Part III of the SPP Open Access Transmission Tariff (hereinafter "SPP Tariff") and Attachment AD to the SPP Tariff, including those facilities for which functional control has been transferred to SPP subject to approval of the Federal Energy Regulatory Commission (hereinafter "FERC") pursuant to the Federal Power Act.

Section 4. Communications System. The term "Communications System," as used herein, shall mean the network of communications equipment owned by the identified Party including but not limited to fiber optic, analog and digital microwave, and VHF radio equipment such as cable, multiplexer(s), Remote Terminal Unit(s) (hereinafter "RTU(s)"), Local Terminal Unit(s) (hereinafter "LTU(s)"), radio(s), and Supervisory Control and Data Acquisition (hereinafter "SCADA") equipment, and/or the communications equipment owned by others, the use of which, by contract, is available to and utilized by the identified Party to satisfy its obligations to the other Party under this Agreement.

Section 5. Uncontrollable Force. The term "Uncontrollable Force," as used herein, shall mean any force which is not within the control of the Party affected, including, but not limited to, failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by a court of general jurisdiction, which by exercise of due diligence and foresight such Party could not reasonably have been expected to avoid.

Section 6. Good Utility Practice. The term “Good Utility Practice,” as used herein, shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region in which the Parties operate.

Section 7. Balancing Authority. The term “Balancing Authority,” as used herein, shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balancing within its Balancing Authority Area, and supports interconnection frequency in real time.

Section 8. Balancing Authority Area. The term “Balancing Authority Area,” as used herein, shall mean the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority.

ARTICLE II

ESTABLISHMENT OF THE NIXA INTERCONNECTION

Section 1. Scope. (a) Southwestern and South Central shall establish a point of electrical interconnection between Southwestern's 69-kV facilities at Southwestern's Nixa Substation and the 69-kV facilities owned by South Central in the vicinity of Nixa, Missouri, in accordance with this Agreement (hereinafter “Nixa Interconnection”). Each Party's facilities shall be operated as three-phase alternating current and at a frequency of approximately 60 hertz in synchronism, such that the frequency of the System of South Central is the same as

and is synchronized with the frequency of the System of Southwestern with deviations permitted in accordance with Southwestern criteria as communicated to South Central, requirements of the North American Electric Reliability Corporation (hereinafter "NERC"), or its successor, the NERC-defined Regional Entity with which Southwestern participates, or its successor, and applicable industry standards, criteria, and equipment specifications of the equipment manufacturer.

(b) The participation obligations of the Parties in establishing the Nixa Interconnection, including but not limited to operating, controlling, owning, maintaining, and replacing equipment associated with the Nixa Interconnection, are as described in this Agreement and as shown in the *One-Line Diagram and Responsibilities of the Parties of the Nixa Interconnection*, attached as Exhibit "2" and by this reference incorporated into this Agreement.

(c) The Parties recognize that to implement the Nixa Interconnection, the Parties may exchange communications services and/or energy accounting and power system data. The Parties agree that the exchange of communications services and/or energy accounting and power system data as provided in this Agreement and Exhibit "2" to this Agreement is conditioned and contingent upon the availability of the respective Communications Systems provided hereunder and the absence of an Uncontrollable Force.

Section 2. Balancing Authority Area Boundary and Inadvertent Flow. (a) Southwestern and South Central recognize that a Balancing Authority Area boundary has been established between the Parties at the Nixa Interconnection, with SPP as the Balancing Authority for the System of South Central and Southwestern as the Balancing Authority for the facilities of the System of Southwestern that reside within Southwestern's Balancing Authority Area. The Parties agree that such Balancing Authority Area boundary shall continue between the Parties at the Nixa Interconnection and that any load served from the System of South Central shall not

reside within Southwestern's Balancing Authority Area. The interchange metering equipment utilized by the Parties in implementing this Balancing Authority Area boundary shall be operated in accordance with Section 5 of this Article II and shall meet the requirements of NERC, or its successor, and applicable requirements of SPP. No modifications to the Balancing Authority Area boundary recognized in this Section 2(a) shall be made unless or until each Party and SPP agrees in writing to the technical details, schedule of work, and the ownership and operation requirements of each Party's facilities.

(b) South Central shall not connect or telemeter the System of Southwestern or the Balancing Authority Area of Southwestern to the Balancing Authority Area of another entity without a written agreement between Southwestern and South Central recognizing Southwestern's approval and operating requirements for such connection or telemetering addition. Other than the requirements of Section 2(a) of this Article II, there is no obligation in this Agreement expressed or implied for Southwestern to agree to connect or telemeter the System of Southwestern and/or Southwestern's Balancing Authority Area to another entity.

(c) The flow of power and energy at the Nixa Interconnection will not be completely within the control of the Parties but will be, in part, controlled by the electrical characteristics of the other transmission systems interconnected with the Parties and by the manner in which such systems are operated. By reason of such characteristics and operation, the delivery of power and energy may vary from scheduled deliveries, and such power and energy may flow inadvertently. The Parties agree to follow, and to cause the following of, as closely as practicable, the scheduled delivery and receipt of power and energy, but the inadvertent flow of power and energy in excess of, or less than, the amount scheduled shall not constitute a breach of this Agreement.

(d) Such inadvertent deviations from schedules shall be balanced off between Southwestern and SPP as the Balancing Authority interconnected with Southwestern at the

Balancing Authority Area boundary identified in Section 2(a) of this Article II as soon as practicable in the subsequent delivery and receipt of scheduled power and energy, and at a time of day as nearly as possible comparable to the time of day said inadvertent deviations occurred, and no charge shall be made for inadvertent flows of power and energy or for power and energy delivered to balance off the same.

(e) If, by reason of the scheduled or inadvertent flow of power and energy through the Nixa Interconnection, any portion of the System of Southwestern, the System of South Central or the System of SPP is overloaded, or if electric service to customers of Southwestern, or transmission service to customers of SPP, is impaired or adversely affected by such inadvertent flow, or if the power factor imposed by South Central or Southwestern is such as to overload facilities or to impair or adversely affect service, the Party adversely affected shall have the right to open, or cause another party to open, such interconnecting equipment as may be necessary to eliminate such overload, impairment of service, or adverse effect; Provided, That, the Parties shall promptly attempt to resolve such overload, impairment of service, or adverse effect prior to opening of such interconnecting equipment.

Section 3. System Operating and Maintenance Principles. (a) The Parties shall design, construct, operate, and maintain their respective system facilities safely and efficiently to reliably receive and deliver capacity and energy within operating physical parameter ranges, including but not limited to voltage schedule, established in accordance with Southwestern criteria as communicated to South Central, Good Utility Practice, requirements of NERC, or its successor, the NERC-defined Regional Entity with which Southwestern participates, or its successor, and SPP, and applicable industry standards, criteria, and equipment specifications of the equipment manufacturer. Southwestern may curtail service to transmission customer(s), including transmission customer(s) who are served from South Central's transmission facilities that are

interconnected at the Nixa Interconnection, to limit or prevent damage to generation resources or transmission facilities caused by South Central's failure to maintain its facilities.

(b) Each Party, to the extent it is able, shall exercise due diligence and reasonable care in maintaining and operating its facilities so as to maintain continuity of service. If the function of any Party's facilities is impaired or the capacity of any Party's facilities is reduced, or synchronous operation becomes interrupted either manually or automatically as a result of, among other things, an Uncontrollable Force or maintenance coordinated by the Parties, the Parties shall cooperate to remove the cause of such impairment, reduction, or interruption so as to restore normal operating conditions expeditiously.

(c) Each Party reserves the sole right to take any action necessary, in accordance with Good Utility Practice, during an actual, imminent, or perceived emergency at the sole judgment and sole option of such Party applied in accordance with Good Utility Practice to preserve the reliability and integrity of the System of Southwestern and the System of South Central, limit or prevent damage, expedite restoration of service, ensure safe and reliable operation, avoid adverse effects on the quality of service, or preserve public safety, including but not limited to disconnecting its system from the other Party's system without notice to such other Party. The Party intending to perform an emergency operation shall provide notice to the other Party and an opportunity to alleviate the condition to the extent practicable. The Party which performed such emergency operation shall inform the other as soon as practicable of the actions taken and the circumstances that led to such actions including but not limited to the observed conditions of the System of Southwestern and/or the System of South Central. Once the emergency is over, such Party will notify the other Party so that the Nixa Interconnection can be re-energized as soon as practicable.

(d) South Central covenants and agrees to follow current Southwestern clearance procedures for any work impacting Southwestern's facilities. South Central shall obtain

concurrence from Southwestern before beginning any scheduled maintenance of facilities which could impact the operation of the System of Southwestern in accordance with Southwestern criteria as communicated to South Central. Each Party shall notify the other Party as soon as practicable at the time when any unscheduled or forced outages occur that could impact the operation of the other Party's system and again when such unscheduled or forced outages end.

(e) South Central agrees that Southwestern shall be able to schedule and implement planned outages to the System of Southwestern and the Nixa Interconnection for such purposes including, but not limited to, maintenance, monitoring, replacement, and modification of Southwestern's facilities and equipment. Southwestern shall give South Central no less than fourteen (14) calendar days' advance notice of any planned maintenance pursuant to this Section 3(e) that may impact the service provided to transmission customer(s) using the facilities of Southwestern and/or South Central. The Parties agree to work in good faith to coordinate any outages under this Section 3(e) so as to minimize the impact on the System of Southwestern and the System of South Central.

Section 4. Reactive Power Loading and the Right to Suspend Interconnection. (a) The Parties recognize that, because the System of Southwestern and the System of South Central are interconnected with other electrical systems, neither Southwestern nor South Central will at all times have complete control of the power factor relating to the Nixa Interconnection. South Central shall provide all Volt Amperes Reactive (hereinafter "VARs") required for the System of South Central and Southwestern shall provide all VARs required for the System of Southwestern.

(b) Neither Party shall impose, nor permit to be imposed, a reactive power loading on the System of the other Party which will result in an overload or impairment of such system, or which will interfere with the delivery of power and energy by Southwestern to its customers or by SPP to its customers. If the reactive power loading imposed at the Nixa Interconnection

should overload either Party's facilities, or impair service by Southwestern to its customers or by SPP to its customers, either Party shall have the right to open without notice, or cause another party to open, such interconnecting equipment as may be necessary to eliminate such overloading or impairment of service; Provided, However, That the Party exercising this right shall use reasonable efforts to provide prior notice and, if prior notice is not given, shall notify the other Party as soon as practicable.

(c) As established pursuant to separate agreement(s) between Southwestern and applicable transmission customer(s), the compensation paid to Southwestern by transmission customer(s) who are served from South Central's transmission facilities that are interconnected at the Nixa Interconnection shall be subject to an adjustment for deliveries to such transmission customer(s) associated with power factor, transformation, and/or transformer losses, as applicable, as provided for in Southwestern's Rate Schedule(s), or their successor(s).

Section 5. Metering. The Balancing Authority Area boundary referenced in Sections 1 and 2 of this Article II shall be established utilizing interchange metering in accordance with this Section 5. Southwestern shall own, operate, maintain, and replace all interchange metering equipment used under this Agreement. SPP shall have such rights regarding metering equipment as SPP and Southwestern establish by separate written agreement. In no event will South Central have liability for inaccuracy of metering equipment.

Section 6. NERC Compliance. (a) Performance under this Agreement shall be in accordance with Good Utility Practice and in satisfaction of any NERC requirements of Southwestern as administered or monitored by the NERC-defined Regional Entity with which Southwestern participates, or its successor.

(b) Southwestern and South Central recognize and agree that the owner of equipment in Southwestern's Nixa Substation as specified in Exhibit "2" of this Agreement shall

be responsible for all aspects of compliance with NERC reliability standards applicable to such equipment. Southwestern does not assume any liability expressed or implied for South Central's compliance with a reliability standard or a successor program.

(c) Southwestern and South Central agree to share or to cause to be shared such information as permitted by law which is requested by the other Party so that compliance with NERC reliability standards pursuant to Section 6(a) of this Article II can be documented by the requesting Party.

Section 7. Load Shedding. (a) Subject to the provisions of Section 7(c) of this Article II, the Parties shall implement a load-shedding program and procedures as necessary to maintain the reliability and integrity of the System of Southwestern and/or the System of South Central in accordance with applicable requirements of NERC, or its successor, and the NERC-defined Regional Entity with which Southwestern participates, or its successor, Good Utility Practice, and the specific requirements of Section 7(b) of Article II of this Agreement. Load-shedding may include:

- (i) automatic load-shedding;
- (ii) manual load-shedding; and
- (iii) rotating interruption of load.

When manual load-shedding or rotating interruptions are necessary in accordance with plans developed between the Parties or as instructed by the NERC-defined Regional Entity with which Southwestern participates, or its successor, or the NERC-defined Reliability Coordinator with which Southwestern participates, or its successor, Southwestern shall notify South Central of any action that is required of South Central and South Central shall comply immediately as established in such plans developed between the Parties or as instructed by such NERC-defined Regional Entity with which Southwestern participates, or its successor, or NERC-defined Reliability Coordinator with which Southwestern participates, or its successor.

(b) Southwestern and South Central have not been designated as entities with responsibilities for an Underfrequency Load Shedding (hereinafter "UFLS") program for purposes of compliance with NERC reliability standard PRC-006, or a successor standard, or for an Undervoltage Load Shedding (hereinafter "UVLS") program for purposes of compliance with NERC reliability standard PRC-010, or a successor standard, and consequently, the Parties do not own, operate, or control UFLS or UVLS equipment. The Parties recognize the importance of UFLS and UVLS programs implemented by the Planning Coordinator with which Southwestern and/or South Central participates, or its successor. Should either Party be designated as an entity with responsibilities for UFLS and/or UVLS programs and equipment, the Parties agree to share information regarding any automated load shedding programs and any related activities which may occur during underfrequency or undervoltage events within or connected to the System of Southwestern and/or the System of South Central. Southwestern does not assume any liability expressed or implied for South Central's compliance with a reliability standard or a successor program pertaining to load shedding.

(c) In the event that NERC, or its successor, or the NERC-defined Regional Entity with which either of the Parties participates, or its successor, or the NERC-defined Reliability Coordinator with which either of the Parties participates, or its successor, implements a reliability standard or successor program pertaining to load-shedding that designates load-shedding compliance responsibilities to either or both of the Parties with requirements that are different than the provisions of this Section 7, the Parties agree that they shall coordinate regarding compliance with the new requirements applicable to load-shedding in accordance with the reliability standard or successor program pertaining to load-shedding.

Section 8. Southwestern Right-of-Way. (a) Southwestern's Nixa Substation and Transmission Line No. 3006 were constructed and are operated and maintained by Southwestern subject to and in accordance with the terms and conditions of certain

transmission line right-of-way easements. Rights and privileges are granted thereunder to the United States and may not be available to South Central for implementation of the Nixa Interconnection. South Central shall, therefore, acquire from appropriate landowners any and all rights and privileges for land use by good and sufficient legal instruments to authorize and permit entry by South Central upon and across tracts affected by such land use as may be necessary and appropriate for South Central to be able to implement the Nixa Interconnection and operate and maintain facilities owned by South Central.

(b) South Central shall submit a request to Southwestern for any joint-use of Federal Government-owned land and/or easements by South Central and shall submit information and drawings as required by Southwestern in preparation of the appropriate documentation. Furthermore, South Central shall give Southwestern sixty (60) calendar days' advance notice of any of South Central's activities which involves construction at the Nixa Interconnection which may involve Southwestern's right-of-way, so that Southwestern may review such activities for consideration and provision of required consent, not to be unreasonably withheld, and so that arrangements can be made for Southwestern's inspection personnel to be on site to oversee such activities.

Section 9. Liability. (a) South Central covenants and agrees that it and its agents shall indemnify, save, and hold Southwestern harmless from any and all claims for litigation costs and damages to property or injury to persons, including employees or agents of South Central, incurred in the operation and maintenance of equipment and facilities pursuant to this Agreement. South Central further agrees to hold Southwestern harmless from damages, including but not limited to South Central's loss of revenue or profits, caused by either scheduled or unscheduled outages made pursuant to Sections 3 and 4 of Article II of this Agreement. Southwestern tort liability is limited to negligence on the part of its officers and

employees in accordance with the Federal Tort Claims Act (28 U.S.C. 1346(b), et seq.), as amended or supplemented, or any other laws applicable to Southwestern.

(b) Notwithstanding any provision of this Agreement, each Party has not, and will not be deemed to have:

- (i) Waived or conceded any defense the Party may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction;
- (ii) Accepted any liability, responsibility, or obligation to pay any penalty, fine, or charge to which it would not have been subject in the absence of this Agreement; and
- (iii) Accepted or assumed any obligation to act, or refrain from acting, in a manner that would violate, or exceed the authority conferred on it by, any applicable statute, regulation, or lawfully promulgated court or regulatory order.

Section 10. Upgrades, Additions, and Modifications. (a) The Parties hereto recognize and agree that Southwestern may modify and/or upgrade its transmission system and any of the elements which support the System of Southwestern, including but not limited to changes in: (1) voltages; (2) system components; (3) Communications System; (4) SCADA system; (5) metering; and (6) protective relaying. Southwestern will provide no less than 180 calendar days' advance notice to South Central of any modification or upgrade to be made to Southwestern's transmission system or elements which support the System of Southwestern that may impact the interconnection and/or operations with South Central.

(b) If, during the term of this Agreement, Southwestern determines, in its sole judgment and at its sole option, that modifications and/or upgrades to its transmission system or any of the elements which support the System of Southwestern are required, then and in that event, Southwestern shall provide written notice as soon as reasonably possible to South Central of the modification and/or upgrades. South Central shall be responsible for any and all costs and expenses incurred by South Central in order to continue to remain interconnected

with the System of Southwestern at the Nixa Interconnection, or the Nixa Interconnection shall be removed from the System of Southwestern by disconnecting the System of Southwestern and the System of South Central at the Nixa Interconnection and this Agreement shall terminate.

(c) In the event South Central desires to make a modification to the Nixa Interconnection, such modification must be consistent with the requirements of Southwestern's *General Requirements for Interconnection* and must comply with the requirements of NERC reliability standards and Section 10(d) of this Article II.

(d) South Central agrees that no additions and/or modifications, such as voltage changes, transmission line additions, additional delivery points, or connections to other transmission owners or Balancing Authority Areas, may be made to the Nixa Interconnection, the facilities of South Central connected to the Nixa Interconnection, or any associated switching stations or substations without Southwestern's approval as evidenced by separate written agreement or by an amendment to this Agreement which shall establish the responsibilities of the Parties for such modification, which consent shall not be unreasonably withheld. South Central agrees that any additional facilities or equipment required by Southwestern to facilitate changes to South Central's transmission facilities to which Southwestern approves shall, to the extent permitted by law, be furnished at South Central's sole expense and at no expense to Southwestern.

ARTICLE III

EFFECTIVE DATE, TERM, BENEFITS, CONTINGENCIES, NOTICES, REPORTS, INFORMATION, AND OTHER GENERAL PROVISIONS

Section 1. Effective Date and Term of Agreement. (a) This Agreement shall become effective at the later of 12:01 a.m. on January 1, 2018, or upon the effective date of the acquisition by South Central of the 69-kV transmission facilities currently owned by the City of

Nixa, Missouri, as established by FERC in Docket No. EC17-126 and shall remain in force and effect until 12:00 a.m., midnight, December 31, 2033, unless sooner terminated, in whole or in part, pursuant to provisions set forth herein. In addition, notwithstanding any other provision of this Agreement, should SPP no longer have functional control over both Parties' transmission facilities, the Agreement shall terminate upon the effective date of the termination of SPP's functional control over both Parties' transmission facilities.

(b) Notwithstanding Section 1(a) of this Article III, this Agreement shall terminate on the effective date of the final order issued by FERC, not subject to settlement or any other subsequent and directly related proceedings before FERC for conclusive resolution, in the pending filing in Docket No. ER18-99 before FERC pursuant to Section 205 of the Federal Power Act (92 Stat. 3142; 16 U.S.C. 824d) to revise the SPP Tariff for SPP to assume functional control of South Central's transmission facilities connected to the Nixa Interconnection if, in Southwestern's sole judgment and opinion, Southwestern is adversely impacted by the result of the FERC proceedings; Provided, However, That South Central does not waive any rights it has under the Federal Power Act.

Section 2. SPP Participation. (a) The Parties recognize that South Central, through its execution of the SPP Membership Agreement, and Southwestern, through its execution of a contract with SPP which is filed as Attachment AD to the SPP Tariff, have provided SPP functional control of their respective transmission facilities. As referenced in this Agreement, functional control shall be SPP's exercise of authority over the power and energy flowing through the transmission facilities made available under the SPP Tariff for transmission service in the region.

(b) SPP shall not be liable for the failure of any Party to perform that Party's obligations hereunder. By executing this Agreement, SPP is not agreeing to the provisions that do not affect or involve SPP transmission service or SPP's role as a FERC-approved

RTO. SPP's only purpose and involvement in executing this Agreement is regarding any provisions which may affect or involve SPP transmission service or SPP's role as a FERC-approved RTO.

(c) The Parties acknowledge and understand that the signature of the authorized officer of SPP on this Agreement is for the limited purpose of acknowledging that an officer of SPP has read the terms of this Agreement. The Parties and SPP further state that they understand that FERC desires that the Parties keep SPP fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the SPP officer shall not in any way be deemed to imply that SPP is taking responsibility for the actions of any Party, that SPP has any affirmative duties under this Agreement, or that SPP is liable in any way under this Agreement except as specifically provided in the SPP Tariff.

Section 3. Recognition of Benefits and Contingencies Related to Other Contracts. (a) The Parties recognize that the Nixa Interconnection was constructed for the purpose of connecting the facilities of the System of South Central to the System of Southwestern, which facilities are required to serve the load of the City of Nixa, Missouri, and/or other transmission customer(s) through the System of Southwestern. The Parties further recognize such use by the City of Nixa, Missouri, and/or other transmission customer(s) of the System of Southwestern is granted pursuant to separate agreements with Southwestern, and absent such agreements, including Attachment AD of the SPP Tariff, Southwestern would not make the System of Southwestern available for such use.

(b) If, for any reason, the agreements for use of the System of Southwestern referenced in Section 3(a) of this Article III expire, are terminated or suspended, or are rendered inoperative such that Southwestern will no longer receive commensurate compensation for the use of the System of Southwestern by the City of Nixa, Missouri, and/or other transmission

customer(s) connected to the System of Southwestern through the System of South Central, Southwestern, in its sole judgment and at its sole option, shall have the right to terminate this Agreement. Then and in that event, this Agreement shall terminate and be without further force or effect as of the effective date of such expiration, termination, suspension, or having been rendered inoperative, and the Parties agree to remove the Nixa Interconnection from the System of Southwestern by disconnecting the System of Southwestern and the System of South Central at the Nixa Interconnection; Provided, However, That South Central does not waive any rights it has under the Federal Power Act.

(c) Termination of this Agreement pursuant to the provisions of this Section 3 shall be without penalty to either of the Parties, except that the rights of the Parties which accrued prior to the date of such termination, if any, shall be and hereby are preserved.

(d) Notwithstanding the provisions of Section 3(b) of this Article III, this Agreement shall not terminate for the reasons set forth herein if other contractual arrangements satisfactory to Southwestern for the use of the System of Southwestern have been established and the applicable transmission customer(s) have coordinated the establishment of such arrangements with Southwestern.

(e) As the intended purpose for the Nixa Interconnection is to serve the load of the City of Nixa, Missouri, the Parties recognize that any concomitant power flows between the System of Southwestern and the System of South Central and/or any other transmission owner's facilities with which South Central's transmission facilities are interconnected are inadvertent. As such the Parties covenant and agree that South Central, or the transmission provider who may be delegated functional control of the System of South Central, shall not assess charges to Southwestern for the use of the System of South Central for such concomitant power flows, if any.

Section 4. Notices. Any written notice, demand, or request required or authorized under this Agreement shall be deemed properly given to or served on Southwestern if mailed by certified mail, courier service, or some other trackable means to:

Administrator
Southwestern Power Administration
1 W. 3rd Street, Suite 1600
Tulsa, OK 74103-3502

Any such notice, demand, or request shall be deemed properly given to or served on South Central if mailed by certified mail, courier service, or some other trackable means to:

J. Calvin Crowder
Chief Executive Officer
South Central MCN LLC
201 East John Carpenter Freeway, Suite 900
Irving, TX 75062

Any such notice, demand, or request shall be deemed properly given to or served on SPP if mailed by certified mail, courier service, or some other trackable means to:

Tessie Kentner
Managing Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

The designation of the person to be notified, or the address of such person, may be changed at any time by either Party or SPP upon written notice of such change to the other Party and SPP.

Section 5. Reports and Information. To the extent consistent with statutes and regulations of the United States, each Party to this Agreement shall furnish to the other such reports and information concerning its operations as the other Party may reasonably request from time to time; Provided, That, where specified herein, information shall be furnished to the requesting Party as identified in other provisions of this Agreement.

Section 6. General Contract Provisions. (a) Provisions applicable to this Agreement are set forth in Southwestern's General Contract Provisions, attached as Exhibit "1" and by this

reference incorporated into this Agreement. Definitions set forth in the Articles of this Contract shall also apply to their respective terms used in Exhibit "1," and the term "Customer," used in Exhibit "1," shall mean South Central.

(b) Any specific terms and conditions set forth in the Articles of this Agreement shall have precedence over any provision contained in Exhibit "1," to the extent consistent with statutes and regulations of the United States.

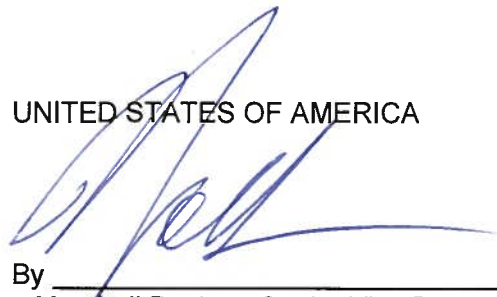
Section 7. Choice of Law. Federal law shall control the obligations and procedures established by this Agreement and the performance and enforcement thereof. The forum for litigation arising from this Agreement shall exclusively be a Federal court of the United States.

Section 8. Severability. If any provision of this Agreement is determined to be invalid, void, or unenforceable by any court or other governmental authority having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision or covenant of this Agreement.

Section 9. Federal Statutes. The interpretation, enforcement, and performance of this Agreement shall be subject to Southwestern fulfilling its responsibilities and obligations under Federal statutes and regulations applicable to Southwestern, including, but not limited to, Section 302(a)(1) of the Department of Energy Organization Act (91 Stat. 578; 42 U.S.C. 7152), Section 5 of the Flood Control Act of 1944 (58 Stat. 887, 890; 16 U.S.C. 825s), and Public Law 95-456 (92 Stat. 1230; 16 U.S.C. 825s-3).


IN WITNESS WHEREOF, the Parties and SPP have jointly executed this Agreement in several counterparts as of the day and year first above written, each of which shall constitute an original.

UNITED STATES OF AMERICA



By _____
Marshall Boyken, Senior Vice President/COO
Office of Corporate Operations
Southwestern Power Administration

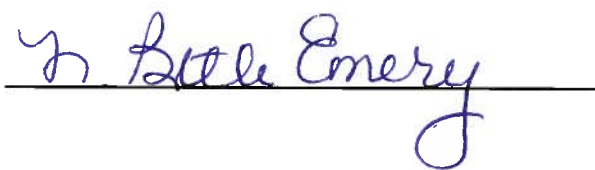
SOUTH CENTRAL MCN, LLC

By  _____
Title President & CEO

ATTEST:

I, N. Beth Emery, certify that I am the Corporate Secretary of SOUTH CENTRAL MCN, LLC, and that J. Calvin Crowder, who signed this Agreement on behalf of the said corporation, was then the President & CEO of said corporation, and that the said Agreement was duly signed for and on behalf of the said corporation by authority of its governing body, which has within the scope of its corporate powers the authority to legally bind such corporation under the foregoing Agreement.

(SEAL)

By  _____

SOUTHWEST POWER POOL, INC.

By Carl

Title EVP & COO

APPROVED
TIC

BY

ATTEST:

I, Paul Suskie, certify that I am the EVP & GC of
SOUTHWEST POWER POOL, INC., and that Carl Monroe, who signed
this Agreement on behalf of the said corporation, was then the EVP & COO
of said corporation, and that the said Agreement was duly signed for and on behalf of the said
corporation by authority of its governing body, which has within the scope of its corporate
powers the authority to legally bind such corporation under the foregoing Agreement.

(SEAL)

By [Signature]

Southwestern Power Administration
GENERAL CONTRACT PROVISIONS

Provision	Title	Page
A.	ACCOUNTING, BILLING, PAYMENT, AND LATE PAYMENT CHARGES	2
1.	Billing by Southwestern	2
2.	Payment Terms	2
3.	Net Billing	2
4.	Payments By Southwestern	3
5.	Propriety of Rates	3
6.	Late Payment Charge	3
7.	Late Payment Interest Charge	3
8.	Penalty Charge for Late Payment	3
9.	Late Payment Administrative Charge	3
10.	Partial Payment	4
11.	Discontinuance of Service	4
B.	STANDARD PROVISIONS	4
1.	Convict Labor	4
2.	Equal Employment Opportunity	4
3.	Resale Rates	4
4.	Availability of Funds to Southwestern	4
5.	Termination for Breach	5
6.	Waivers	5
7.	Reliability and Adequacy of Service	5
8.	Continuity of Service	5
9.	Transfer of Interest by Customer	5
10.	Uncontrollable Force	6
11.	Liability	6
C.	FACILITIES AND CONDITIONS OF SERVICE	6
1.	Facilities to be Furnished by Southwestern and the Customer	6
2.	Reliability, Safety, Health, and Environmental Requirements in Regard to Construction, Operation, and Maintenance of Non-Federal Facilities on U.S. Government Property	6
3.	Right of Installation and Access	8
4.	Rights for Land Use Acquired by the Customer	9
5.	Right of Removal	9
6.	Right to Upgrade Facilities	9
7.	Limitation on Rights of Entry	10
8.	Assistance by Contracting Parties	10

A. ACCOUNTING, BILLING, PAYMENT, AND LATE PAYMENT CHARGES

1. **Billing by Southwestern.** (a) Southwestern shall maintain an accurate record of power, energy, and any other services purchased by the Customer under this Contract.
 - (b) For each billing period in which the Customer makes one or more purchases under this Contract, Southwestern shall prepare an invoice in which such purchases are set forth in necessary detail, including the specific quantities of power, energy, and other services provided to the Customer during such billing period, and in which the compensation due Southwestern for such purchases is specified.
 - (c) Invoiced quantities may be based on estimates if actual quantities are not available. Adjustments, if any, due to a difference between estimated and actual quantities will be made on an invoice prepared during the billing cycle following the invoice which was based on estimated quantities.
2. **Payment Terms.** (a) Invoices shall be due and payable by the Customer on or before the close of business 20 calendar days after the invoice date, or shall be due and payable on the next business day thereafter if the said due date should fall on a Saturday, Sunday, or official Federal holiday.
 - (b) Payment of amounts due to Southwestern may be made through electronic funds transfer (EFT) or may be submitted as checks and mailed to:

Southwestern Power Administration
One West Third Street
Tulsa, Oklahoma 74103-3502

- (c) EFT payments shall conform to Southwestern protocols for electronic transfer of funds in effect at the time of the transaction.
 - (d) The designation of the address where payment is to be submitted may be changed by Southwestern upon 30 days' written notice to the Customer.
 - (e) Invoices shall be considered paid when payment is received into Southwestern's designated depository account or credited to Southwestern's depository account in the U.S. Treasury by the end of the business day; Provided, That payments received by mail are accepted as timely and will not be assessed late charges if a U.S. Postal Service postmark for first class mail shows that the payment was received by the Postal Service at least 2 calendar days before the due date; Provided Further, That payments received through EFT are accepted as timely and will not be assessed late charges if they are credited to Southwestern's depository account in the U.S. Treasury on or before the third day after the due date or on the next business day thereafter if said third day is a Saturday, Sunday, or official Federal holiday.
3. **Net Billing.** (a) Whenever the parties agree, payments due Southwestern by the Customer may be offset against payments due the Customer by Southwestern for the sale or exchange of electric power, energy, and other services.
 - (b) For services included in net billing procedures, payments due one party in any month shall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists.

- (c) The parties shall exchange such reports and information as either party requires for billing purposes.
- (d) Net billing procedures shall not be used for any amounts which Southwestern determines, in its sole judgment, to be in dispute.
4. **Payments By Southwestern.** Any payment due the Customer not satisfied by the Net Billing provision of Section 3 of this Provision A, shall be made by Southwestern to the banking account of the Customer by Electronic Funds Transfer.
5. **Propriety of Rates.** (a) Southwestern shall bill the Customer for the Customer's purchases of power, energy, and other services in accordance with the rates placed in effect pursuant to statute.
- (b) The Customer hereby agrees to promptly pay Southwestern under such rate schedules, whether or not the Customer agrees with the propriety or the levels of the rates placed into effect pursuant to law, regulation, or the order of an appropriate authority.
- (c) In the event that the U.S. Congress amends the manner in which Southwestern calculates or charges for its power sales, the Customer hereby agrees to promptly pay in such an amended manner, subject to the Customer's right to terminate.
6. **Late Payment Charge.** (a) Southwestern shall assess the Customer a Late Payment Charge for each instance in which the Customer is delinquent in making payment to Southwestern.
- (b) Such Late Payment Charge shall be computed by dividing by 12 the then-effective annual interest rate published in the Federal Register by the Department of Treasury, and multiplying the resultant monthly rate times the principal amount past due.
- (c) Such Late Payment Charge shall be assessed only once for a particular invoiced amount which is past due, irrespective of the number of days between the due date and the final payment of such particular invoiced amount.
7. **Late Payment Interest Charge.** (a) In addition to the Late Payment Charge provided in Section 6 of this Provision A, a daily interest charge shall be assessed on the principal amount past due for each day after the due date until the said amount is paid in full.
- (b) Such daily interest rate shall be computed by recalculating the annual interest rate cited in Section 6(b) of this Provision A for a daily rate.
8. **Penalty Charge for Late Payment.** (a) In the event that the Customer should fail to pay Southwestern any portion of an invoiced amount for a period of more than 90 days past its due date, Southwestern shall assess a penalty charge of 6 percent per year on such outstanding amount.
- (b) This penalty charge shall accrue for the period from the date that the debt became past due until the date when such invoiced amount is paid, and shall be assessed in addition to other charges for late payment which are specified in this Provision A.
9. **Late Payment Administrative Charge.** (a) Southwestern shall assess charges to cover administrative costs incurred as a result of a collection action against the Customer to cover the additional costs incurred in processing and handling such debt collection.

(b) Calculation of administrative costs shall be based upon actual costs incurred by Southwestern in processing and handling claims against other debtors in similar stages of delinquency.

10. Partial Payment. In the event that an invoice is not paid in full, amounts received by Southwestern shall be applied first to outstanding Late Payment penalty and administrative charges; second to outstanding daily interest charges for late payments assessed on the principal; and finally, to payment of the principal amount past due, unless a different rule is prescribed by Federal statute or regulation.

11. Discontinuance of Service. (a) If the Customer fails to pay any amount due under this Contract, Southwestern may, at its option, cause the delivery of power, energy, and other services under this Contract to be discontinued upon 90 days' prior written notice to the Customer, unless payment of the amounts due is made by the Customer within such 90-day period.

(b) Such discontinuance of the delivery of power, energy, and other services, as herein provided, shall not relieve the Customer of liability for any minimum Southwestern charges under rate schedules applicable to this Contract during the period of such discontinuance.

(c) The rights granted Southwestern herein shall be in addition to all other remedies available to Southwestern, either by law or in equity, for the breach of any of the provisions of this Contract.

B. STANDARD PROVISIONS

1. Convict Labor. In connection with the performance of work under this Contract, the Customer agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. § 3622(c)), and Executive Order 11755, December 29, 1973, as amended.

2. Equal Employment Opportunity. During the performance of this Contract, the Customer agrees to abide by and to fulfill the nondiscrimination requirements of the "equal opportunity clause" contained in Section 202 of Executive Order 11246 dated September 28, 1965 (30 F.R. 12319), any Executive Order amending such order, and any other Executive Order superseding such order.

3. Resale Rates. The parties hereto understand and agree that the purpose of making federally generated power available is to encourage the most widespread use thereof, and the Customer therefore agrees that the benefits of any federally generated power received pursuant to this Contract shall be made available at fair and reasonable terms to all of its consumers at the lowest possible rates consistent with sound business principles.

4. Availability of Funds to Southwestern. (a) This Contract and all rights and obligations hereunder, and the expenditure of funds by Southwestern under the provisions hereof, are expressly conditioned and contingent upon the Congress making available (through direct appropriation, authorization of a revolving fund, the authority to borrow funds, or through such other means as it may provide) the necessary funds or the authority to accept funds from others to enable Southwestern to carry out the provisions of this Contract, and if such funds or authorities are not available, this Contract shall terminate and have no further force or effect as of the last day for which

funds or authorities were available, and the Customer hereby releases Southwestern from any and all liability for failure to perform and fulfill its obligations under this Contract for that reason.

- (b) No obligation contained herein for the future payment of money by Southwestern, or liability on the part of Southwestern for breach of any of the provisions contained herein, shall be binding upon or enforceable against Southwestern unless and until funds, as provided in Section 4(a) of this Provision B, are available out of which such obligations or liability can be legally paid.
- (c) Nothing in this Contract may be considered as implying that Congress will, at a later date, appropriate funds sufficient to meet any deficiencies or obligations incurred under this Contract.

5. **Termination for Breach.** (a) If either party hereto breaches a material provision of this Contract, the other party, at its option, may terminate this Contract upon 30 days' prior written notice of its intention to do so, and this Contract ipso facto shall terminate at the end of such 30-day period unless such violation is corrected within that period.
- (b) Neither party hereto shall be considered to be in default or breach with respect to any obligation under this Contract if prevented from fulfilling such obligation by reason of an Uncontrollable Force as herein defined.
6. **Waivers.** Waiver at any time of rights with respect to a default or any other matter arising in connection with this Contract shall not be deemed to be a waiver with respect to any subsequent default or matter.
7. **Reliability and Adequacy of Service.** (a) Electric service rendered by Southwestern under this Contract shall meet accepted standards of reliability and adequacy.
- (b) If questions are raised concerning the quality of service, factual data shall be obtained with respect to the character of such service, and appropriate corrective or remedial action shall be promptly taken by the party at fault.
8. **Continuity of Service.** (a) Services provided by Southwestern to the Customer under this Contract shall be delivered by Southwestern as scheduled, except for interruptions or curtailments in delivery caused by an Uncontrollable Force as herein defined, by the operation of devices or dispatcher action for system protection, or by the necessary installation, maintenance, repair, and replacement of equipment.
- (b) Such interruptions or reductions in service, as hereinbefore set forth, shall not constitute a breach of this Contract, and neither party shall be liable to the other for damages resulting therefrom.
 - (c) Except in case of an emergency, Southwestern shall give the Customer reasonable advance notice of temporary interruptions or curtailments in service necessary for such installation, maintenance, repair, and replacement of equipment, and shall, insofar as is practicable, schedule such interruptions or curtailments so as to cause the least inconvenience to the Customer.
9. **Transfer of Interest by Customer.** (a) No voluntary transfer of this Contract or of the rights of the Customer hereunder shall be made without the written approval of the Administrator, Southwestern; Provided, That any successor to or assignee of the rights of the Customer, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all the provisions and conditions of this Contract to the same extent as though such successor or assignee were the original contractor

hereunder; Provided Further, That the execution of a mortgage or trust deed, or judicial or foreclosure sale made thereunder, shall not be deemed voluntary transfers within the meaning of this Section 9.

- (b) If receiving Federal power pursuant to this contract, the Customer will not sell, lease, or otherwise dispose of its electrical distribution system without giving Southwestern at least 120 days' prior written notice.
- (c) The Customer's rights to Federal power and concomitant services, as may be set forth in this Contract and in Southwestern's Final Power Allocations (1980-1988), 45 F.R. 19032 (1980), come by virtue of the Customer's status as an entity entitled to preference in Southwestern's marketing of Federal power pursuant to Section 5 of the Flood Control Act of 1944 (58 Stat. 887,890; 16 U.S.C. 825s). If the Administrator, Southwestern, determines, in his or her sole judgment, that actions taken by the Customer have abrogated the Customer's status as a "preference" entity, then the Administrator may, at his or her sole option, terminate this Contract, such termination to become effective on the date specified by Southwestern, in an official written notice to the Customer.

- 10. **Uncontrollable Force.** The term "Uncontrollable Force," as used herein, shall mean any force which is not within the control of the party affected, including, but not limited to, failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.
- 11. **Liability.** The Customer hereby agrees to indemnify and hold harmless the United States, its employees, agents, or contractors from any loss or damage and from any liability on account of personal injury, death, or property damage, or claims for personal injury, death, or property damage of any nature whatsoever and by whomsoever made arising out of the Customer's, its employees', agents', or subcontractors' construction, operation, maintenance, or replacement activities under the contract. The United States shall be liable only for negligence on the part of its officers and employees in accordance with the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

C. FACILITIES AND CONDITIONS OF SERVICE

- 1. **Facilities to be Furnished by Southwestern and the Customer.** Southwestern and the Customer shall furnish, install, maintain, and operate, or cause to be furnished, installed, maintained, and operated, such facilities and equipment, including metering equipment, as may be necessary to fulfill their respective obligations under this Contract and to assure reasonable protection to the facilities of others.
- 2. **Reliability, Safety, Health, and Environmental Requirements in Regard to Construction, Operation, and Maintenance of Non-Federal Facilities on U.S. Government Property.** (a) The provisions of this Section 2 shall apply only if the Customer, its agents or contractors, or its member entities perform maintenance, operations, or construction on the property of the U.S. Government (Government), or on easements shared by the Government and the Customer.

- (b) Such construction, maintenance, and operation shall be performed in accordance with standards at least equal to those provided by the National Electrical Safety Code and shall conform to safety, environmental, and security procedures identified by Southwestern as appropriate to each facility in which such work is performed. Southwestern provides such written procedures in each of the facilities it maintains and to affected customers.
- (c) The Customer and/or its member entities shall take all reasonable precautions in the performance of such work to protect the public and the environment. The Customer and/or its member entities shall comply with all applicable local, state, and Federal regulations and requirements in the performance of such work, including, but not limited to, the National Environmental Policy Act; the Clean Air Act; the Clean Water Act; the Comprehensive Environmental Responsibility, Compensation, and Liability Act; the Toxic Substances Control Act; the Oil Pollution Act; the Resource Conservation and Recovery Act; the Superfund Amendments and Reauthorization Act (SARA); SARA Title III (Emergency Planning and Community Right-to-Know Act of 1986); and the Occupational Safety and Health Act.
- (d) In the event that Southwestern, at its sole option and in its sole judgment, determines that construction, maintenance, or operation of facilities which are performed under this Contract by the Customer, and/or one of its member entities, do not meet the standards and/or regulations and requirements specified in this Section 2, or if Southwestern determines, in its sole judgment, that a condition exists which provides a potentially adverse impact (1) on the reliability of services provided by Southwestern to its customers, (2) on the safety and/or health of the public or employees and agents of the parties hereto, and/or (3) on the environment, then Southwestern may provide written notice to the Customer and/or its member entity of the deficient condition; Provided, That if such condition, in Southwestern's sole judgment and at Southwestern's sole option, requires immediate attention and does not allow time for such notice, Southwestern will remedy the condition and, where appropriate, bill the Customer in accordance with Section 8(b) of this Provision C.
- (e) Where, in Southwestern's sole judgment, remedy of the said deficient condition is not time critical, the Customer and/or its member entity shall provide a written plan and schedule to Southwestern within 30 days of receipt of the said written notice. Such plan and schedule shall provide for correction of the said deficiency at the earliest possible time available to the Customer and/or its member entity; Provided, That the maximum time allowed for the Customer and/or its member entity to correct any such deficiency shall not exceed 18 months from receipt of the said written notice. The Customer shall coordinate or, if applicable, cause its member entity to coordinate, any work and outages which may involve Southwestern's facilities with Southwestern's Dispatch Center (Dispatch Center) in Springfield, Missouri.
- (f) Unless otherwise agreed in writing, correction of deficiencies pursuant to this Section 2 shall be at the expense of the Customer.
- (g) If the Customer and/or its member entity fails to correct the deficiency within the time provided pursuant to this Section 2, Southwestern shall have the right, at its sole option and in its sole discretion, to terminate service through the affected facilities until such deficiencies are corrected to the satisfaction of Southwestern.
- (h) If, within the time period provided pursuant to this Section 2, an emergency condition occurs which, in the sole judgment of Southwestern, may cause an adverse impact on the reliability of the System of Southwestern and/or on the environment, or which poses a hazard to the safety and/or health of the public or employees and agents of

the parties hereto, then Southwestern may, at its sole option, remedy or repair such condition or equipment and bill the Customer in accordance with Section 8(b) of this Provision C, and the Customer agrees to render Southwestern reimbursement as provided in the said Section 8(b).

- 3. Right of Installation and Access.** (a) Each party hereto grants to the other permission, or will obtain such permission for the other party, to install, maintain, and operate, or cause to be installed, maintained, and operated, on the System of Southwestern and on the System of the Customer, at the points of delivery between the System of Southwestern and the System of the Customer described in this Contract, any and all terminal equipment and associated electrical apparatus and devices necessary in the performance of this Contract.
- (b) Each party hereto shall permit, or shall obtain permission for, duly authorized representatives and employees of the other party to enter upon the System of Southwestern and the System of the Customer at the said points of delivery for the purpose of reading or checking meters; for inspecting, testing, repairing, renewing, or exchanging any or all of the equipment owned by the other party located on such premises; or for the purpose of performing any other work necessary in the performance of this Contract.
- (c) Access for any work performed by one party under this Section 3 which may affect the other party's equipment shall normally be preceded by at least one day's notice to the affected party, except in the event of an emergency, in which case such notice shall be made as soon as possible after such emergency occurrence. Notice to Southwestern pursuant to this Section 3 shall be made to the Dispatch Center.
- (d) Any access to property controlled by Southwestern shall include notification to Southwestern at the time of entry. Any employee or agent of the Customer, or of its member entities, who enters a Southwestern facility is expected to call the Dispatch Center from a telephone located in the control building in that facility and to identify himself or herself. Security devices located in the control buildings at Southwestern facilities sound an alarm in the Dispatch Center when the building is entered. Local law enforcement officers may be asked to investigate any unidentified entry.
- (e) Any equipment, apparatus, or devices installed on the System of Southwestern by the Customer, as provided under this Section 3, shall be clearly and permanently marked to indicate ownership, and, in addition, a detailed description of each item so installed (including, if applicable, manufacturer's name, serial number, model number, etc.) shall be transmitted to Southwestern to aid in maintenance of plant accounts.
- (f) In the event the equipment, apparatus, or devices are not marked in accordance with Section 3(e) of this Provision C, ownership of said equipment, apparatus, or devices shall be presumed to be vested in Southwestern.
- (g) The Customer agrees that, if requested by Southwestern, the description required under Section 3(e) of this Provision C shall include a detailed analysis of all dielectrical oil, including, but not limited to, tests for polychlorinated biphenyls (PCBs). If such analysis indicates the presence of a known hazardous substance, which, in Southwestern's sole judgment, presents a significant hazard to the environment or to the health and safety of employees of the parties hereto, Southwestern may require, at its sole option, by written request, removal of any equipment containing such substance, and the Customer agrees to comply with such request for removal at no cost to Southwestern.

4. **Rights for Land Use Acquired by the Customer.** (a) The System of Southwestern is constructed, operated, and maintained by Southwestern subject to and in accordance with the terms and conditions of certain transmission line right-of-way easements. Rights and privileges granted thereunder to the Government may not be available to the Customer for operations connected with performance of this Contract.
- (b) The Customer is therefore responsible for acquiring, or causing to be acquired, from the appropriate landowners, any and all rights and privileges for land use, by good and sufficient legal instruments, to authorize and permit entry by the Customer upon and across tracts affected by such land use as may be necessary and appropriate for performance of this Contract.
5. **Right of Removal.** Any and all equipment, apparatus, or devices placed or installed or caused to be placed or installed by the parties hereto on or in the System of Southwestern or the System of the Customer shall be and shall remain the property of the party owning and installing such equipment, apparatus, devices, or facilities, regardless of the mode or manner of annexation or attachment to real property, and, upon the termination of this Contract, the owner thereof shall have the right to enter upon the premises or system of the other and shall, within a reasonable time, remove such equipment, apparatus, devices, or facilities, subject to the provisions of Section 3 of this Provision C.
6. **Right to Upgrade Facilities.** (a) Southwestern reserves the right to modify or upgrade its transmission system and any of the elements which support the Southwestern transmission system, including, but not limited to, changes in: (1) Southwestern's transmission voltages, (2) Southwestern's transmission system components, (3) Southwestern's communications system, (4) Southwestern's Supervisory Control and Data Acquisition (SCADA) System, and (5) other modifications necessary to comply with the standards and/or regulations and requirements mentioned in Section 2 of this Provision C.
- (b) If, during the term of this Contract, Southwestern determines, in its sole judgment and at its sole option, that modifications or upgrades to its transmission system and associated facilities are required, then, in that event, the Customer shall be responsible for any and all costs and expenses incurred by the Customer in order to continue to receive services provided under this Contract.
- (c) If the Customer elects not to make changes in its facilities which, in Southwestern's judgment, are required for the Customer to continue to receive reliable service from Southwestern's modified or upgraded facilities, then the Customer will discontinue receipt of the services provided under this Contract which are dependent on such modified or upgraded facilities, and the provisions of this Contract which describe such services shall be terminated or, at Southwestern's sole option, suspended, until the Customer completes the changes in its facilities which Southwestern, in its sole judgment, deems necessary for reliable service to the Customer under the aforesaid provisions.
- (d) Southwestern shall notify the Customer of the specific sections or articles of the Contract which are to be terminated or suspended pursuant to Section 6(c) of this Provision C.
- (e) The provisions of this Contract which are not specifically terminated or suspended pursuant to Section 6(d) of this Provision C shall not in any way be affected and shall remain in full force and effect except insofar as the services provided pursuant to the

terminated or suspended provisions which are reflected in other provisions of this Contract will also be terminated or suspended.

- (f) Termination or suspension of specific provisions of this Contract pursuant to Section 6(c) of this Provision C shall be without penalty to either of the parties hereto, except that the rights of the parties hereto, if any, which accrued prior to the date of such termination or suspension shall be and hereby are preserved.

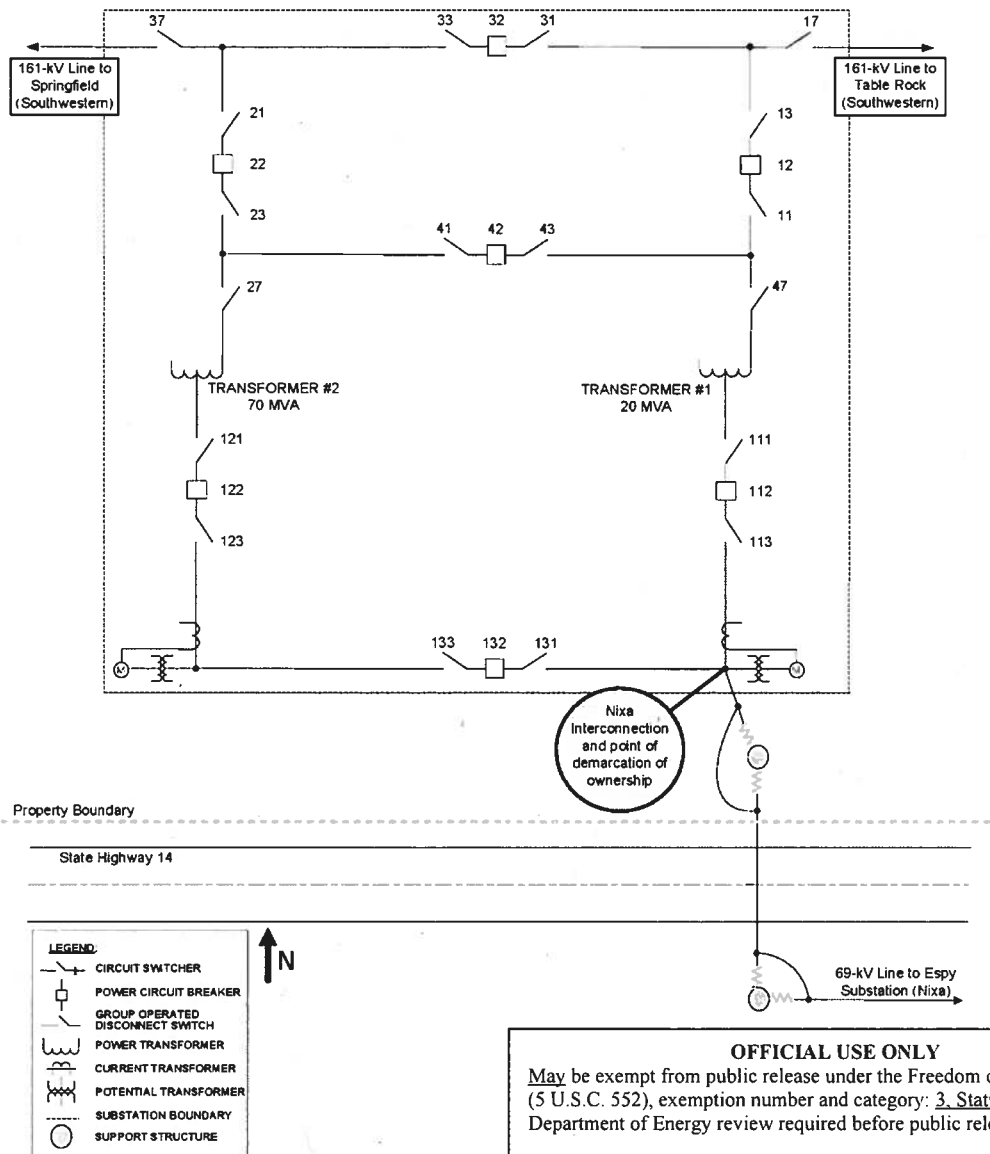
7. **Limitation on Rights of Entry.** Southwestern reserves the right, upon notice to the Customer, to revoke or cancel the rights of entry granted under this Contract with regard to any particular representative of the Customer, if, in the sole judgment of Southwestern, such revocation or cancellation is required in the interest of national security.
8. **Assistance by Contracting Parties.** If assistance in maintenance and utilization of their respective systems is rendered by Southwestern and/or the Customer, the following terms and conditions shall apply:
 - (a) If, in the maintenance or utilization of their respective transmission systems and related facilities for the purpose of this Contract, it becomes necessary by reason of any emergency or extraordinary condition for Southwestern or the Customer to request the other to furnish personnel, materials, tools, and equipment for the maintenance or modification of, or other work on, such transmission systems and related facilities to insure continuity of power and energy deliveries, the party requested shall cooperate with the other and render such assistance as the party requested may determine to be available.
 - (b) The party making such request, upon receipt of properly itemized bills, shall reimburse the party rendering such assistance, including overhead and administrative and general expenses. The Customer and Southwestern agree to account for any incurred costs under a Work Order accounting procedure and in accordance with the Uniform System of Accounts prescribed for public utilities by the Federal Energy Regulatory Commission. Billing statements rendered by the Customer and Southwestern for such reimbursement shall be due 20 days from the date thereof.
 - (c) No laborer or mechanic in the employ of the Customer, or its agents and contractors, for any of the work contemplated by this Section 8 shall be required or permitted to work in excess of 40 hours in any workweek except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this Section 8.
 - (d) The wages of each laborer or mechanic employed by the Customer, or its agents and contractors, in the performance of any of the work contemplated by this Section 8 shall be computed on the basis of a standard workweek of 40 hours, and work performed in excess of such standard workweek may be permitted only upon the condition that each laborer or mechanic receives compensation at a rate not less than 1.5 times that worker's basic rate of pay for all hours worked in excess of 40 hours in any such workweek.
 - (e) For each violation of this Section 8, the Customer, or its agents and contractors, will be liable to the employee for his unpaid wages and, in addition, a penalty shall be imposed upon the Customer in the amount of ten dollars (\$10) for each laborer or mechanic for each calendar day in which such laborer or mechanic is required or permitted to work in excess of the standard workweek of 40 hours upon said work without receiving compensation computed in accordance with this Section 8, and all

penalties thus imposed shall be withheld for the use and benefit of the Government; Provided, That this Section 8 is subject to the provisions of the Contract Work Hours and Safety Standards Act of 1962 (Public Law 87-581, 76 Stat. 357-360), as amended; Provided Further, That if, from time to time, there is a conflict or inconsistency between the terms and conditions hereinbefore set forth and the provisions of any contract between the Customer and a labor union, the provisions of the labor union contract shall prevail if determined to be in compliance with then-applicable statutes and regulations issued thereunder.

One-Line Diagram and Responsibilities of the Parties of the Nixa Interconnection

All equipment, facilities, and land for Southwestern's Nixa Substation and the Nixa Interconnection shall be furnished, installed, programmed, operated, owned, maintained, and replaced by Southwestern, except as noted herein. Southwestern shall have responsibility for direct SCADA control and jurisdictional authority of all equipment at Southwestern's Nixa Substation. Jurisdictional authority as used herein shall refer to the coordination and approval of equipment operations during normal planned circumstances at the sole direction of the Party specified, who has visibility of the bulk electric system, with any applicable provisions for emergency operations to be as separately specified in the Agreement.

The support structure inside Southwestern's property boundary and all disconnects and jumpers between Southwestern's Nixa Substation and South Central's 69-kV transmission line to the Espy Substation are owned by South Central. The Nixa Interconnection is at the point where South Central's 69-kV conductor from South Central's support structure inside Southwestern's property boundary is connected to Southwestern's overhead bus work between Southwestern's air break switch Nos. 113 and 131 and in the vicinity of Southwestern's interchange metering.



OFFICIAL USE ONLY
 May be exempt from public release under the Freedom of Information Act (5 U.S.C. 552), exemption number and category: 3. Statutory Exemption. Department of Energy review required before public release.
 Name/Org: Aiden Smith/9100 Date: 1/9/2018
 Guidance (if applicable): Please contact Aiden Smith at (918)595-6764 prior to release for further coordination.