

INTERCONNECTION AGREEMENT

By and Between

WESTERVELT RENEWABLE ENERGY, LLC

and


ALABAMA POWER COMPANY

Dated as of October 16, 2009

TABLE OF CONTENTS

SECTION 1: DEFINITIONS	1
SECTION 2: INTERCONNECTION SERVICE	5
2.1 Service	5
2.2 Facility	5
2.3 Permits	6
2.4 Alabama Power Easements and Access Rights to the Facility	6
2.5 Safety	7
2.6 Interconnection Point	7
2.7 Station Service Arrangements	7
2.8 Interconnection Procedures	7
SECTION 3: TERM AND TERMINATION	7
3.1 Term	7
3.2 Termination	7
3.3 Additional Remedies	8
3.4 Permanent Disconnection	8
3.5 Temporary Disconnection	9
3.6 Survival of Rights	10
SECTION 4: OPERATION AND MAINTENANCE OF GENERATOR'S FACILITY	10
4.1 General Standards	10
4.2 Operation and Maintenance	11
4.3 Availability of Records	11
SECTION 5: INTERCONNECTION FACILITIES	11
5.1 Interconnection Facilities and Generator's Interconnection Equipment	11
[REDACTED]	12
5.5 Care of Equipment	12
SECTION 6: LIABILITY AND INDEMNIFICATION	12
[REDACTED]	12
6.2 No Liability for Generator's Responsibilities	13
6.3 Indemnification	13
SECTION 7: METERING, DATA ACQUISITION, AND PROTECTION EQUIPMENT	14
7.1 General	14
7.2 Alabama Power Obligations	14
7.3 Generator Obligations	14
7.4 Synchronization and Commercial Operation	14
7.5 Metering	15
7.6 Data Acquisition and Protection Equipment	15
7.7 Payment of Cost of Metering, Data Acquisition Equipment and Protection Equipment	17
7.8 Care of Equipment	17
7.9 Inspection and Testing	17
7.10 Loss Factor Adjustment	17
SECTION 8: INITIAL SYNCHRONIZATION AND FACILITY TESTING	17

8.1	Facility Evaluation Based on Actual Equipment Data	17
8.2	Implementation of Control and Operating Procedures.....	18
8.3	Facility Inspection.....	18
8.4	Initial Synchronization.....	18
8.5	Review of Synchronization Tests.....	18
SECTION 9: ADMINISTRATIVE CHARGE.....		19
SECTION 10: PAYMENT PROCEDURE.....		19
SECTION 11: REPRESENTATIONS, WARRANTIES AND COVENANTS.....		19
11.1	Generator's Representations, Warranties and Covenants	19
11.2	Alabama Power's Representations, Warranties and Covenants.....	20
11.3	Survival of Representations, Warranties and Covenants	21
SECTION 12: COMPLIANCE WITH LAWS		21
12.1	Compliance	21
12.2	Regulatory Filings.....	21
SECTION 13: INSURANCE		22
SECTION 14: FORCE MAJEURE		22
14.1	Definition of Force Majeure Event	22
14.2	No Breach or Liability	22
14.3	Suspension of Performance.....	23
SECTION 15: OPERATING COMMITTEE		23
SECTION 16: ASSIGNMENT/ORGANIZATIONAL CHANGE		24
16.1	Assignment by Generator.....	24
16.2	Assignment by Alabama Power	26
16.3	Organizational Change.....	26
SECTION 17: MISCELLANEOUS		26
17.1	Alabama Power's Agent	26
17.2	No Partnership	27
17.3	Successors and Assigns.....	27
17.4	No Third Party Benefit.....	27
17.5	No Affiliate Liability	27
17.6	Time of Essence	27
17.7	No Waiver.....	27
17.8	Amendments	27
17.9	Notice.....	27
17.10	Counterparts.....	28
17.11	Cross-References	28
17.12	Article and Section Headings.....	28
17.13	Including	28
17.14	Governing Law	28
17.15	Merger.....	29
17.16	NERC.....	29
17.17	Good Utility Practices and Reliability Standards.....	29

17.18	Confidential Information.....	29
17.19	Cooperation.....	30
17.20	Negotiated Agreement	30
17.21	Subcontractors.....	30
		30
APPENDIX A: INTERCONNECTION PROCEDURES		32
APPENDIX B: SPECIFICATIONS TO INTERCONNECTION AGREEMENT BETWEEN GENERATOR AND ALABAMA POWER COMPANY		34
APPENDIX C: INSURANCE REQUIREMENTS		37

INTERCONNECTION AGREEMENT

This Interconnection Agreement (“Agreement”), effective as of the ____ day of _____, 2009 (“Effective Date”) is made and entered into by and between Westervelt Renewable Energy, LLC, a limited liability company organized and existing under the laws of the State of Delaware and having its principal place of business at 1400 Jack Warner Pkwy NE, Tuscaloosa, Alabama 35404 (hereinafter referred to as “Generator”), and Alabama Power Company, a corporation organized and existing under the laws of the State of Alabama and having its principal place of business at 600 18th Street North, Birmingham, Alabama 35203 (hereinafter referred to as “Alabama Power”). Generator and Alabama Power may be hereinafter referred to individually as a “Party” and collectively as the “Parties.”

W I T N E S S E T H:

WHEREAS, Generator desires to interconnect its generating facility located in Hale County, Alabama to the Alabama Power Electric System at distribution voltage; and

WHEREAS, such facility will be certified as a qualifying facility under the Public Utility Regulatory Policies Act of 1978; and

WHEREAS, pursuant to a separate agreement, Generator intends to sell all of the electric output of such generating facility to Alabama Power; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth the terms and conditions that shall govern the interconnection of such generating facility to the Alabama Power Electric System.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Parties covenant and agree as follows:

SECTION 1: DEFINITIONS

In addition to the initially capitalized terms and phrases defined in the preamble of this Agreement, the following initially capitalized terms and phrases as and when used in this Agreement shall have the respective meanings set forth below:

“Affiliate” – means any other entity directly or indirectly controlling or controlled by or under direct or indirect common control of a specified entity. For purposes of this definition, “control” means the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. The terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Alabama Power” – shall have the meaning ascribed to it in the first paragraph of this Agreement, including any of its agents or its permitted successors and assigns.

“Alabama Power Electric System” – means collectively, the entire network of electric generation, transmission and distribution facilities, equipment and other devices owned (in whole or in part) or controlled by Alabama Power for the purposes of generating, transmitting, receiving, and distributing electric energy.

“Appendix” or “Appendices” – means any of the schedules, exhibits and attachments, including the Interconnection Procedures, which are appended hereto and are incorporated by reference herein and made a part of this Agreement.

“APSC” – means the Alabama Public Service Commission (including any successor in function)

“Committee” – means the Alabama Power – Generator Operating Committee as set forth in Section 15.

“Day” – means a calendar day unless otherwise specified.

“Effective Date” – has the meaning ascribed to it in the first paragraph of this Agreement.

“Emergency” – means a condition or situation associated with the transmission and distribution of electricity, including voltage abnormalities, that, in the sole reasonable judgment of Alabama Power, adversely affects or is imminently likely to adversely affect: (i) public health, life or property; (ii) Alabama Power’s employees, agents or property; or (iii) Alabama Power’s ability to maintain safe, adequate, and continuous electric service to its customers and the customers of any member of the NERC.

“Facility” – means

“Force Majeure Event” - shall have the meaning ascribed to it in Section 14.1.

“Generator” – shall have the meaning ascribed to it in the first paragraph of this Agreement, including any of its agents or its permitted successors and assigns.

“Generator’s Interconnection Equipment” – means all equipment owned, operated or maintained by or for Generator, that is required to be installed for the delivery of electric energy from the Facility to the Alabama Power Electric System.

“Good Utility Practices” – mean, at a particular time, any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry prior to such time

[REDACTED]

“Governmental Authority” – means any federal, state, local, territorial, county or municipal government authority and any branch, department, commission, board, court, bureau, agency, instrumentality, judicial or administrative body thereof, excluding the Parties but including NERC.

“Indenture Trustee” – shall mean a trust company chartered or other Person incorporated under the laws of the United States or a state of the United States and based in the United States which is the indenture trustee, mortgagee or secured party under any Indenture.

“Initial Synchronization Date” – means the date that includes the first instant in time when energy generated by the Facility is delivered to the Interconnection Point in accordance with [REDACTED]

“Interconnection Facilities” – means the equipment [REDACTED] that, in Alabama Power’s reasonable judgment, is required to be installed for the delivery of electric energy from the Facility onto the Alabama Power Electric System.

“Interconnection Point” – means the point of interconnection of Generator’s Facility to the Alabama Power Electric System [REDACTED]

“Interconnection Procedures” – means the procedures for interconnection and operations [REDACTED]

“Interconnection Service” – [REDACTED]

[REDACTED]

“kW” – means kilowatts. In addition, “MW” may be used to mean megawatts, which are 1,000 kilowatts.

“kWh” – means kilowatt-hours. In addition, “MWh” may be used to mean megawatt-hours, which are 1,000 kilowatt-hours.

“Legal Requirement” – means any act; statute; law; requirement; ordinance; order; ruling or rule; regulation; standards and/or criteria contained in any permit, license or other approval; legislative or administrative action; or a decree, judgment or order of any Governmental Authority imposed, whether in effect as of the Effective Date or at any time in the future.

“Lien” – shall mean any and all liens, mortgages, encumbrances, pledges, claims, leases, charges and security interests of any kind.

“Month” – means a calendar Month, commencing at the beginning of the first Day of such calendar Month.

“Monthly” has a meaning correlative to that of Month.

“Monthly Administrative Charge” – means the Monthly amount to be paid by Generator to Alabama Power [REDACTED]

“NERC” – means the North American Electric Reliability Corporation, including any successor thereto and subdivisions thereof.

“Party” or “Parties” – means either Alabama Power or Generator or both.

“Permitted Liens” – shall mean:

(a) any Lien on this Agreement and/or Alabama Power’s rights, obligations, title or interest in, to and under this Agreement pursuant to any indenture, mortgage or security agreement as heretofore and hereafter amended (the “Indenture”);

(b) any Lien for taxes, assessments or other governmental charges which is not delinquent or the validity of which is being contested in good faith by appropriate proceedings diligently prosecuted so long as appropriate reserves are maintained in respect of such taxes, assessments or charges; and

(c) attachments, judgments and other similar Liens arising in connection with court proceedings, provided that [REDACTED]

[REDACTED] the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are being contested in good faith and by appropriate proceedings so

long as any material risk of liability is covered by a bond, or appropriate reserves are maintained in respect of such proceedings.

“Person” – shall mean any individual, corporation, limited liability company, general partnership, limited partnership, proprietorship, other business organization, trust, union, association or Governmental Authority.

“Persons Indemnified” – means, collectively or individually (as the context might indicate), Alabama Power, Alabama Power’s Affiliates, and The Southern Company, and the directors, officers, representatives, agents and employees of each of them.

“PPA” – means the Agreement for the Purchase of Capacity and Energy from a Renewable Resource between the Parties whereby Generator has agreed to provide, and Alabama Power has agreed to purchase, capacity and energy from the Facility.

“Qualified Person” – shall mean any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or any federal, state, county, municipal or regional governmental authority, agency, board, body, instrumentality or court who is an owner or operator of transmission facilities and/or distribution facilities.

“Reliability Standards” – means the applicable reliability standards developed by NERC, SERC and/or the North American Energy Standards Board.

“SERC” – means the SERC Reliability Corporation, including any successor thereto and subdivisions thereof.

“Service Term” – [REDACTED]

“Specifications” – means the interconnection specifications [REDACTED]
[REDACTED]

“Term” – means the duration of this Agreement as specified in Section 3.1.

SECTION 2: INTERCONNECTION SERVICE

2.1 Service. Alabama Power shall supply Generator with Interconnection Service at the Interconnection Point for the Facility in accordance with and for the Term of this Agreement.
[REDACTED]

2.2 Facility. The Facility includes one generator located near Moundville, Alabama in Hale County.

2.3 Permits. Generator shall be solely responsible at its sole cost and expense, for obtaining and maintaining any and all permits, certificates or authorizations that are required for the operation, maintenance, testing and modification of the Facility.

2.4 Alabama Power Easements and Access Rights to the Facility.

2.4.1 Generator shall convey at no cost to Alabama Power any and all necessary rights of way and easements, including adequate and continued access rights to property of Generator for the purpose of providing Interconnection Service. Generator agrees that such rights of way and easements shall survive termination or expiration of this Agreement, if and to the extent necessary for the continued use or the removal of the Interconnection Facilities. Such easements and access rights specifically include, but are not limited to, the right to install, operate, maintain, replace and/or remove the Interconnection Facilities. Generator shall also convey to Alabama Power such rights of way for transmission and distribution lines and easements for such transformer substations on, over and across Generator's property and premises as may be required for rendering service to Generator [REDACTED]

2.4.2 Upon reasonable advance notice given to Generator, representatives of Alabama Power shall at all reasonable times have access to Generator's Interconnection Equipment and to property owned or controlled by Generator in order to: (i) inspect, maintain, and test meters and other Alabama Power equipment; (ii) interconnect, interrupt, monitor, or measure energy generated by the Facility; (iii) inspect the operations, maintenance or testing of Generator's Interconnection Equipment; and/or (iv) take such other action as may be reasonably necessary to exercise Alabama Power's rights under this Agreement [REDACTED]

Generator shall cooperate in such physical inspections of Generator's Interconnection Equipment as may be reasonably required by Alabama Power. Alabama Power's technical review and inspection of Generator's Interconnection Equipment shall not be construed as endorsing the design thereof nor as any warranty of the safety, durability or reliability of the Facility, and shall not cause Alabama Power to assume any liability for accidents, injuries or damages of any kind.

2.5 Safety. Generator shall comply with the National Fire Protection Association Code, the National Electrical Code, the National Electrical Safety Code and other code requirements applicable to the Facility.

2.6 Interconnection Point. Alabama Power shall maintain the Interconnection Point in Hale County, Alabama [REDACTED]

2.7 Station Service Arrangements. Generator is responsible for making all arrangements for station service requirements either through (i) self-supply (in accordance with [REDACTED] applicable Legal Requirements); or (ii) retail service arrangements. Generator must demonstrate, to Alabama Power's reasonable satisfaction, that it has adequate arrangements in place to supply its station service requirements. The Parties acknowledge that station service is not being provided to Generator under this Agreement.

2.8 Interconnection Procedures. Generator shall comply with the Interconnection Procedures [REDACTED] for the Facility at all times.

SECTION 3: TERM AND TERMINATION

3.1 Term. This Agreement shall become effective when signed by the Parties and shall continue in effect until terminated by mutual written agreement of the Parties or otherwise pursuant to the provisions of this Agreement.

3.2 Termination.

[REDACTED] This Agreement may be terminated by either Party, immediately upon written notice, if the other Party has breached any of its material obligations hereunder and has not cured such breach [REDACTED]
[REDACTED]

3.2.2 This Agreement shall terminate upon the completion of the Service Term;
[REDACTED]

3.2.3 In the event that this Agreement terminates under Section 3.2.2 [REDACTED]
[REDACTED]

3.2.4

3.3 Additional Remedies. In the event of a default by either Party, the non-defaulting Party may pursue any and all judicial and administrative remedies and relief available to it.

3.4 Permanent Disconnection.

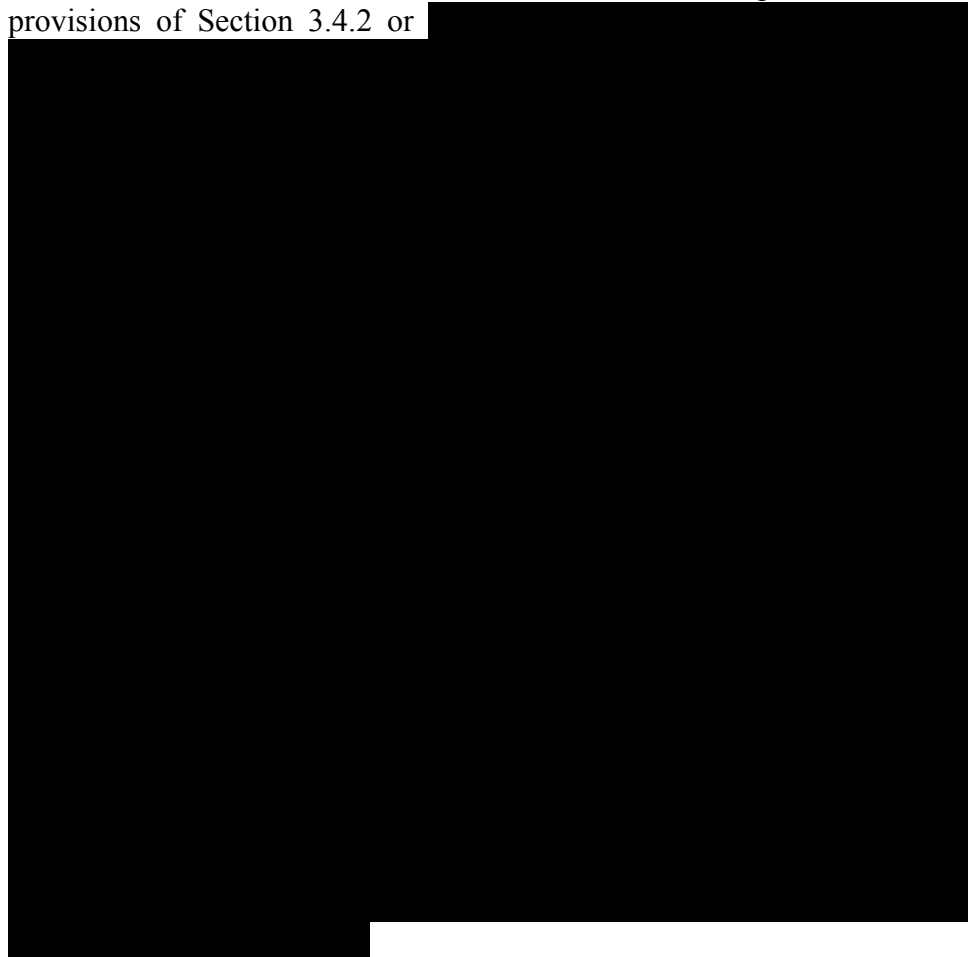
3.4.1 Disconnection after Agreement Terminates. Upon termination of this Agreement, [REDACTED]

[REDACTED] Alabama Power may disconnect the Facility from the Alabama Power Electric System in accordance with Good Utility Practices and applicable Reliability Standards.

3.4.2 Disconnection Upon Uncured Breach or Default. After providing notice in conformity with Section 3.2, Alabama Power may discontinue service, disconnect the Facility from the Alabama Power Electric System, remove the Interconnection Facilities and treat this Agreement as terminated by Generator in the event: (i) of a breach by Generator of the material terms and conditions of this Agreement that Generator has not cured [REDACTED] following notice of such breach by Alabama Power; (ii) any representation or warranty of Generator pursuant to this Agreement shall prove to be false or misleading in any material respect when made or deemed made and for which Generator does not correct, provided that such uncorrected representation or warranty adversely affects the rights of Alabama Power under this Agreement; or (iii) Generator makes an

assignment for the benefit of Generator's creditors, or voluntary or involuntary proceedings in bankruptcy are instituted seeking to adjudge Generator a bankrupt, or if Generator be adjudged a bankrupt, or if Generator's affairs are placed in the hands of any court for administration.

3.4.3 Termination Costs. In the event of a disconnection pursuant to the provisions of Section 3.4.2 or



3.5 Temporary Disconnection.

- 3.5.1 Alabama Power may direct that the Facility be temporarily disconnected from the Alabama Power Electric System: (i) during an Emergency; (ii) if the operation and output of the Facility do not meet the requirements of this Agreement (even if Generator has commenced actions to cure such default); (iii) if a hazardous condition exists on Generator's premises or with respect to Generator's equipment that could reasonably be expected to adversely affect the safe and reliable operation of the Alabama Power Electric System; (iv) if Generator has modified Generator's Interconnection Equipment or interconnection protective devices in a manner that could reasonably be expected to adversely affect the safe and reliable operation of the Alabama Power Electric System; (v) if Alabama

Power determines it is necessary to temporarily disconnect the Facility in order to construct, install, maintain, repair, replace, remove, investigate, inspect or test any part of the Interconnection Facilities or the Alabama Power Electric System; (vi) in the event of tampering with, or unauthorized use of, Alabama Power's equipment; or (vii) if Generator fails to pay in full the undisputed amounts billed by Alabama Power in accordance with Section 10.

3.5.2 In the event of the occurrence of any of the conditions described in Section 3.5.1, Alabama Power shall give as much advance notice as practicable under the circumstances of the disconnection of the Facility to employees of Generator designated from time to time by Generator to receive such notice. Upon receipt of notice directing disconnection, Generator shall carry out the required action without delay. Where circumstances do not permit such advance notice to Generator or Generator's employees, Alabama Power may immediately disconnect the Facility from the Alabama Power Electric System. Alabama Power shall reconnect the Facility as soon as reasonably practicable following the cessation or the remedy of the event that led to the temporary disconnection.

3.5.3 Generator shall bear any costs incurred by Alabama Power as a result of any disconnection or reconnection caused by Generator's negligence and/or non-compliance [REDACTED] whether by affirmative act or omission of Generator.

3.6 Survival of Rights. Upon termination of this Agreement, the Parties shall be relieved of their obligations under this Agreement except for the following obligations which shall survive termination: (i) the obligation to pay each other all amounts owed and not paid under this Agreement; (ii) obligations arising from indemnities provided for in this Agreement; and (iii) any other obligations which the Agreement specifically indicates shall survive termination.

SECTION 4: OPERATION AND MAINTENANCE OF GENERATOR'S FACILITY

4.1 General Standards. During the Term, Generator shall have the sole responsibility to, and at its sole expense shall, manage, control, operate and maintain the Facility in accordance with Good Utility Practices and applicable Reliability Standards, the Interconnection Procedures and the requirements set forth in this Agreement. Generator shall operate its generating equipment in parallel with the Alabama Power Electric System only in accordance with mutually acceptable operating procedures, including [REDACTED] those established by the Committee. All wiring, apparatus and other equipment necessary to receive or deliver electric energy on Generator's side of the Interconnection Point shall be supplied, maintained and operated by and at the expense of Generator.

4.2 Operation and Maintenance. Generator shall maintain and operate the Facility in accordance with Good Utility Practices and applicable Reliability Standards such that it does not in any way affect the safe and reliable operation of the Alabama Power Electric System. Generator shall not, without Alabama Power's prior written approval, make any change to its Facility which might affect such operation of the Alabama Power Electric System.

4.3 Availability of Records. Generator shall keep complete and accurate records and all other data for the purposes of proper administration of this Agreement in accordance with the following guidelines:

- 4.3.1 All such records shall be maintained [REDACTED] after the creation of such record or data and for any additional period of time required by any Legal Requirement; provided, however, that Generator shall not dispose of or destroy any such records [REDACTED] prior written notice to Alabama Power.
- 4.3.2 Generator shall maintain an accurate and up-to-date operating log at the Facility with records of: (i) real and reactive power production and station service consumption for each clock hour; (ii) changes in operating status and scheduled maintenance; (iii) any unusual conditions found during inspections; and (iv) any significant events related to the operation of the Facility.
- 4.3.3 Upon reasonable advance notice, Alabama Power shall have the right to examine the records and data of Generator in order to facilitate any determination that Alabama Power is required or permitted to make under this Agreement or related to Alabama Power's compliance with any Legal Requirement. Alabama Power will cooperate with Generator in sharing information that is measured or collected by Alabama Power subject to appropriate confidentiality agreements and not by Generator which is needed by Generator in order to comply with a Legal Requirement.

SECTION 5: INTERCONNECTION FACILITIES

5.1 Interconnection Facilities and Generator's Interconnection Equipment.

5.1.1 [REDACTED]

5.1.2

[REDACTED]

5.1.3

[REDACTED]

5.2

[REDACTED]


5.3 Care of Equipment. Generator shall exercise care in accordance with Good Utility Practices and applicable Reliability Standards to protect the Interconnection Facilities located on Generator's premises, and agrees to pay the cost of repairs or replacement in the event of loss or damage to the Interconnection Facilities arising from the failure of Generator to properly protect the Interconnection Facilities in accordance with Good Utility Practices and applicable Reliability Standards;

[REDACTED]

SECTION 6: LIABILITY AND INDEMNIFICATION

6.1

[REDACTED]



6.2 No Liability for Generator's Responsibilities. The Persons Indemnified do not assume any obligation or responsibility of any kind with respect to Generator's Facility, including obligation or responsibility with respect to the condition or operation of said Facility. The Persons Indemnified shall not be responsible for the transmission, distribution or control of electrical energy on Generator's side of the Interconnection Point.

6.3 Indemnification.

6.3.1 Generator shall reimburse, indemnify, and hold harmless the Persons Indemnified for all injury or damage suffered by the Persons Indemnified and resulting from: (i) defects or events on Generator's side of the Interconnection Point; (ii) negligence (including strict liability) or intentional wrongful act or destruction of the Persons Indemnified's property by Generator, its agents or representatives; (iii) misuse, damage to or destruction of the Persons Indemnified's property by Generator, its agents or representatives; or (iv) misuse, damage to or destruction of the Persons Indemnified's property located on premises owned, leased or controlled by Generator, its agents or representatives, in whatever manner any of the foregoing may be caused other than by a Force Majeure Event, and whether or not the same be caused by or arise out of the joint, concurrent or contributory negligence of the Persons Indemnified. Generator also shall indemnify, reimburse, and hold harmless the Persons Indemnified from and against all claims, actions and liability of any kind arising from damage to property or bodily injury to a person including death, due in whole or in part to the installation, maintenance or operation of any electrical equipment on Generator's premises or arising out of, or in any way connected with, the service furnished or to be furnished by Generator, and whether or not caused by or arising out of the joint, concurrent or contributory negligence of the Persons Indemnified.

6.3.2 Generator agrees to indemnify and save harmless the Persons Indemnified against any and all liability, loss, damage, costs or expense which the Persons Indemnified may hereafter incur, suffer or be required to pay by reason of negligence on the part of Generator in performing its obligations pursuant to this Agreement or Generator's failure to abide by the provisions of this Agreement, and whether or not caused by or arising out of the joint, concurrent, or contributory negligence of the Persons Indemnified.

6.3.3

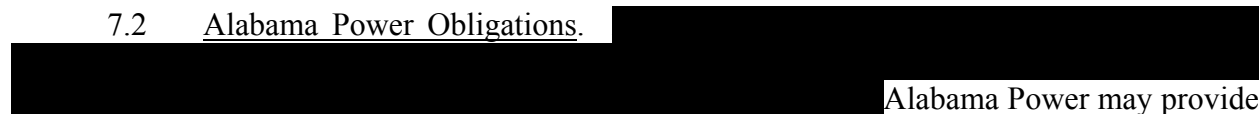


6.3.4 Alabama Power shall not be liable for accidents or injuries or damages of any kind due to the condition of Generator's Facility or the operation, maintenance, repair or replacement thereof. Generator shall indemnify and hold harmless the Persons Indemnified from and against all claims, actions, and alleged liability of any kind arising directly or indirectly, in whole or in part, from Generator's failure to properly and adequately maintain or operate its Facility in accordance with Good Utility Practices and applicable Reliability Standards, and whether or not caused by or arising out of the joint, concurrent or contributory negligence of the Persons Indemnified.

SECTION 7: METERING, DATA ACQUISITION, AND PROTECTION EQUIPMENT

7.1 General. Each Party shall provide to the other Party all information that is in the former's possession, control or within its ability to access reasonably, which is not readily accessible to the latter, and is reasonably required by the latter to enable it to comply with applicable Legal Requirements or applicable Reliability Standards. For purposes of this provision, information in the possession or control of a Party's Affiliate, agent or third party contractor is considered to be in a Party's possession.

7.2 Alabama Power Obligations.

 Alabama Power may provide operating instructions to Generator consistent with this Agreement and Alabama Power's operating protocols and procedures as they may change from time to time.

7.3 Generator Obligations. Generator shall at its own expense operate, maintain and control the Facility and Generator's Interconnection Equipment in a safe and reliable manner and in accordance with this Agreement. Generator shall operate the Facility and Generator's Interconnection Equipment in accordance with all applicable requirements of the Southern Company Services, Inc. - Trans Balancing Authority Area (as defined by NERC) including Alabama Power's operating protocols and procedures as they may change from time to time.

7.4 Synchronization and Commercial Operation. Consistent with the Parties' mutually acceptable procedures, Generator is responsible for the proper synchronization of the Facility to the Alabama Power Electric System.

7.5 Metering.

7.5.1

[REDACTED]

7.5.2

[REDACTED]

7.5.3 The Parties agree that the meter readings provided by Alabama Power shall be used as the official measurement between the Parties of the amount of capacity and electric energy delivered from the Facility to the Interconnection Point [REDACTED]

7.6 Data Acquisition and Protection Equipment.

7.6.1

[REDACTED]

Generator shall be responsible for the purchase, installation, operation, maintenance, repair and replacement of all data acquisition equipment, protection equipment, and any other associated equipment and software, which may be reasonably required at any time during the Term by either Party for Generator to operate its facilities in parallel with the Alabama Power Electric System. Such equipment shall conform to Good Utility Practices and applicable Reliability Standards. Prior to its installation, Alabama Power and Generator shall review the equipment and software required by this Section to ensure conformance with Good Utility Practices and applicable Reliability Standards.

7.6.2 The selection of real time telemetry and data to be received by Alabama Power and Generator shall be at the reasonable discretion of Alabama Power, as deemed necessary by Alabama Power for reliability, security,

economics, and/or monitoring of the Facility's operations, [REDACTED]

[REDACTED] This telemetry includes, but is not limited to, voltage, Generator's output (MW, MVAR, and MWh), and breaker status at the Interconnection Point. However, to the extent telemetry is required by a Governmental Authority or by a reliability organization (*e.g.*, NERC, SERC), Generator shall, at its own expense, install any tele-metering equipment, data acquisition equipment, or other equipment and software necessary at the Facility for the telemetry of information to or from Alabama Power.

- 7.6.3 Generator shall be responsible for the cost that Alabama Power incurs in making any computer modifications or changes necessary to implement this Section 7.6 to the extent such modifications or changes are required by a Governmental Authority or by a reliability organization (*e.g.*, NERC, SERC).
- 7.6.4 Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice and applicable Reliability Standards.
- 7.6.5 Prior to the Initial Synchronization Date and again prior to the commercial operation date of the Facility, each Party or its agent shall perform a complete calibration test and functional trip test of the system protection facilities. At intervals consistent with Good Utility Practice and applicable Reliability Standards and following any apparent malfunction of the system protection facilities, each Party shall perform both calibration and functional trip tests of its system protection facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.
- 7.6.6 In compliance with Good Utility Practice and applicable Reliability Standards, Generator shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Facility to any short circuit occurring on the Alabama Power Electric System not otherwise isolated by Alabama Power's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Alabama Power Electric System. Such protective equipment shall include a disconnecting device or switch with load-interrupting capability located between the Facility and the Alabama Power Electric System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Generator shall be responsible for protection of the Facility and Generator's other equipment from conditions including negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Generator shall be solely responsible to disconnect the Facility and Generator's other

equipment if conditions on the Alabama Power Electric System could adversely affect the Facility.

7.7 Payment of Cost of Metering, Data Acquisition Equipment and Protection Equipment.

7.7.1

[REDACTED]

[REDACTED]

7.8 Care of Equipment. Generator shall exercise proper care to protect all equipment of Alabama Power located on Generator's premises or property of which Generator has control, and agrees to pay the cost of repairs or replacement in the event of loss or damage to the equipment other than normal wear and tear arising from the failure of Generator to properly protect the equipment in accordance with Good Utility Practices and applicable Reliability Standards; provided, Generator shall not perform maintenance on Alabama Power's equipment or facilities.

7.9 Inspection and Testing. Representatives of each Party shall be afforded an opportunity to witness tests of metering, data acquisition equipment and protection equipment. All inspections and testing will be done according to standard protocol and practice of Alabama Power, including compliance with the meter standards and testing located in the Special Electric Rules as filed at the APSC, a copy of which will be provided to Generator by Alabama Power.

7.10 Loss Factor Adjustment In the event, and to the extent, that meters are not measuring deliveries of electric energy physically at the Interconnection Point, the metered amount of electric energy may be adjusted for losses to or from the Interconnection Point by a loss factor determined by Alabama Power, in accordance with Good Utility Practices [REDACTED]

SECTION 8: INITIAL SYNCHRONIZATION AND FACILITY TESTING

8.1 Facility Evaluation Based on Actual Equipment Data. Generator agrees to

provide updated application data ("Actual Equipment Data") to Alabama Power that reflects information provided by equipment manufacturers for the actual equipment purchased by Generator for this Facility, as soon as it is available, [REDACTED] to Initial Synchronization Date. After reviewing such data, if Alabama Power identifies any adverse impacts to the Alabama Power Electric System that were not identified in studies performed using Generator's application data as initially provided, Generator is responsible for modifying its equipment to eliminate such identified adverse impacts.

8.2 Implementation of Control and Operating Procedures. [REDACTED]

[REDACTED] prior to the Initial Synchronization Date, with regard to Generator's Actual Equipment Data, Generator and Alabama Power will: (i) jointly review Alabama Power's operating protocols and procedures; (ii) develop a training schedule for Generator and Alabama Power personnel under Alabama Power's operating protocols and procedures; and (iii) install and verify that communication links are complete for: (a) data telemetry; and (b) voice and/or electronic communications between Generator's Facility and the Alabama Power Electric System control centers.

8.3 Facility Inspection. [REDACTED]

[REDACTED], all equipment modifications and/or additions shall be complete prior to the Initial Synchronization Date. As soon as practicable after notice is given to Alabama Power by Generator, an inspection shall be performed by Alabama Power to insure the proper installation and operation of the interconnection protective devices. The inspection shall include verification: (i) that the installation of Generator's equipment at the Facility is in accordance with Alabama Power's requirements; and (ii) of proper voltage and phase rotation.

8.4 Initial Synchronization. Upon completion of the actions and reviews required under Sections 8.1, 8.2, and 8.3, Generator may request approval for initial synchronization of the Facility. Such request for approval shall be made [REDACTED] in advance of the date which Generator proposes for the Initial Synchronization Date. Initial synchronization shall not occur without the prior documented approval of Alabama Power, and such approval shall not be unreasonably withheld. Representatives of Alabama Power shall have the right to be present during the initial synchronization and Facility testing. The activities under this Section 8., including Facility inspection, evaluation of Actual Equipment Data, personnel training, use of Southern Company Generator Information Network, or the granting of approval to Generator for operation of the Facility in parallel with the Alabama Power Electric System shall not serve to relieve Generator of liability for injury, death or damage attributable to the negligence or intentional acts of Generator, and Alabama Power shall not be responsible in that regard.

8.5 Review of Synchronization Tests. [REDACTED] after the Initial Synchronization Date, Generator shall provide Alabama Power copies of all applicable excitation system field test results (including chart recordings and actual data points in electronic form) and field settings, including (if applicable) Power System Stabilizer test results and settings in a format that conforms to the models previously submitted with the original application data. These tests include but are not limited to excitation system open circuit step in voltage tests, and (if applicable) Power System Stabilizer gain margin and phase compensation tests. Excitation

system open circuit step in voltage test response chart recordings shall be provided showing generator terminal voltage, field voltage, and field current (exciter field voltage and current for brushless excitation systems) with sufficient resolution such that the change in voltages and currents are clearly distinguishable. The excitation system open circuit step in voltage test data points corresponding to the chart recordings should also be submitted in electronic form. Alabama Power may require that Generator perform more detailed tests if there are significant differences between the excitation system open circuit step in voltage test response and the step response predicted through dynamic simulation of model data. Any problems identified as a result of changes from application data to actual field settings of the excitation system including (if applicable) Power System Stabilizers must be addressed and resolved immediately by Generator in order for Generator to continue to deliver power to the Interconnection Point.

SECTION 9: ADMINISTRATIVE CHARGE

Generator shall pay Alabama Power a Monthly Administrative Charge Payment [REDACTED]

SECTION 10: PAYMENT PROCEDURE

Invoices shall be issued Monthly to Generator [REDACTED].

SECTION 11: REPRESENTATIONS, WARRANTIES AND COVENANTS

11.1 Generator's Representations, Warranties and Covenants. Generator makes the following additional representations, warranties and covenants as the basis for the benefits and obligations contained in this Agreement:

11.1.1 Generator is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, that it is qualified to do business in the State of Alabama and that it has the requisite power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

11.1.2 The execution, delivery and performance by Generator of this Agreement have been duly authorized by all necessary limited liability company action of the Generator, and do not and shall not require any additional consent or approval.

11.1.3 The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance

with the provisions of this Agreement, do not and shall not conflict with or constitute a breach of or a default under any partnership agreement, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which Generator is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing.

11.1.4 This Agreement is the legal, valid and binding obligation of Generator and is enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

11.1.5 There is no pending or, to the knowledge of Generator, threatened action or proceeding affecting Generator before any Governmental Authority which purports to affect the legality, validity or enforceability of this Agreement as in effect on the date hereof.

11.1.6 Generator covenants to Alabama Power that it shall at all times during the Term pay all charges, taxes, assessments and fees which may be assessed upon or against the Facility or upon or against Generator through Alabama Power by reason of the sale or purchase of electricity by Generator or from Generator's Facility, [REDACTED].

11.2 Alabama Power's Representations, Warranties and Covenants. Alabama Power makes the following additional representations, warranties and covenants as the basis for the benefits and obligations contained in this Agreement:

11.2.1 Alabama Power is a corporation duly organized, validly existing and in good standing under the laws of the State of Alabama, that it is qualified to do business in the State of Alabama and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

11.2.2 The execution, delivery and performance by Alabama Power of this Agreement have been duly authorized by all necessary corporate action, and do not and shall not require any additional consent or approval.

11.2.3 The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement, do not and shall not conflict with or constitute a breach of or a default under any partnership agreement, deed

of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which Alabama Power is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing.

11.2.4 This Agreement is the legal, valid and binding obligation of Alabama Power and is enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

11.2.5 There is no pending or, to the knowledge of Alabama Power, threatened action or proceeding affecting Alabama Power before any Governmental Authority which purports to affect the legality, validity or enforceability of this Agreement as in effect on the date hereof.

11.3 Survival of Representations, Warranties and Covenants. The representations, warranties and covenants made by Generator and by Alabama Power [REDACTED] shall survive the execution and delivery of this Agreement and any action taken pursuant hereto. The representations, warranties and covenants made by Generator and Alabama Power [REDACTED].

SECTION 12: COMPLIANCE WITH LAWS

12.1 Compliance. Generator represents, warrants and covenants that as of the Initial Synchronization Date and for the Term, Generator shall (i) be in compliance with all material Legal Requirements, including, but not limited to, those that are necessary for the ownership, operation and maintenance of the Facility, and capacity and electric energy sales therefrom, including all requirements to seek, obtain, maintain, comply with and renew and modify from time to time, any and all applicable certificates, licenses, permits and government approvals and all applicable environmental certificates, licenses, permits and approvals, environmental impact analysis, and if applicable, the mitigation of environmental impacts, and (ii) pay all costs, expenses, charges and fees in connection therewith.

12.2 Regulatory Filings. This Agreement is subject to approval by any Governmental Authority having jurisdiction over the matters provided herein. The obligations of Alabama Power under this Agreement are contingent upon the receipt of all requisite approvals, orders and consents from Governmental Authorities with respect to this Agreement and the activities contemplated hereby. Nothing in this Agreement shall be construed as affecting in any way the right of either Party to unilaterally make application to any and all Governmental Authorities that may have jurisdiction over this Agreement for a change in terms and conditions, charges, classification of service or the Agreement in its entirety, or for termination of this Agreement pursuant to applicable statutes and those Governmental Authorities' rules and regulations. Prior

to making a filing under this Section, the filing Party shall notify the other Party of its intent to make a filing [REDACTED] in advance and representatives of the Parties shall attempt to meet to discuss the intended filing; provided, however, that the failure of the Parties to meet or to agree on any intended filing shall not limit a Party's right to make such a filing. Generator agrees to reasonably cooperate with Alabama Power with respect to such filings and to provide any information reasonably required by Alabama Power to comply with applicable filing requirements; provided, however, such cooperation shall not require Generator to support a filing with which it disagrees before a Governmental Authority.

SECTION 13: INSURANCE

The insurance requirements [REDACTED]
[REDACTED] and incorporated herein by reference.

SECTION 14: FORCE MAJEURE

14.1 Definition of Force Majeure Event. For the purposes of this Agreement, a "Force Majeure Event" as to a Party means any occurrence, nonoccurrence or set of circumstances that is beyond the reasonable control of such Party and is not caused by such Party's fault, negligence, lack of due diligence or failure to follow Good Utility Practice, that prevents a Party, in whole or in part, from performing any of its obligations, or satisfying any conditions under this Agreement, including flood; ice; lightning; earthquake; windstorm; eruption; fire; explosion; invasion; war; civil disturbance; commotion or insurrection; sabotage or vandalism; military or usurped power; or act of God or of a public enemy; provided, however, in no event shall any of the following constitute a Force Majeure Event: (i) the inability to meet a Legal Requirement or the change in a Legal Requirement; or (ii) a site specific strike, walkout, lockout or other labor dispute; (iii) equipment failure, unless such equipment failure results directly from an event that would otherwise constitute a Force Majeure Event hereunder; (iv) changes in market conditions that affect the cost or availability of equipment, materials, supplies or services, or capacity and electric energy; (v) failures of contractors, suppliers or vendors, unless such failures are caused by an event which would otherwise constitute a Force Majeure Event hereunder, if experienced by a Party; (vi) lack of adequate fuel supply; or (vii) climatic temperature and humidity conditions.

14.2 No Breach or Liability. The Parties shall be excused from performing their respective obligations under this Agreement and shall not be liable in damages or otherwise if and to the extent that they are unable to so perform or are prevented from performing by a Force Majeure Event, provided that the non-performing Party shall:

- 14.2.1 give the other Party notice thereof, followed by written notice if the first notice is not written, as promptly as possible after such Party becomes aware of such Force Majeure Event, describing the particulars of such Force Majeure Event;

- 14.2.2 use its reasonable best efforts to remedy its inability to perform as soon as practicable; provided, however, that this Section 14.2.2 shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest; provided further, that the settlement of strikes, lockouts or other labor disputes shall be entirely within the discretion of the Party having the difficulty; and
- 14.2.3 resume performance of its obligations under this Agreement and give the other Party written notice to that effect, as soon as reasonably practicable following cessation of the Force Majeure Event.

14.3 Suspension of Performance. The suspension of performance due to a Force Majeure Event shall be of no greater scope and of no longer duration than is required by such Force Majeure Event. No Force Majeure Event shall extend this Agreement beyond its Term.

SECTION 15: OPERATING COMMITTEE

Generator and Alabama Power shall each appoint one (1) representative and one (1) alternate to the Committee. Each Party shall notify the other Party of its appointment in writing. Such appointments may be changed at any time by similar notice. The Committee shall meet as necessary to carry out the duties set forth herein. The Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. Each representative and alternate shall be a responsible person familiar with the day-to-day operations of their respective electrical facilities. The Committee shall represent the Parties in all matters arising under this Agreement that may be delegated to it by mutual agreement of the Parties. The duties of the Committee may include the following:

- a. [REDACTED]
- b. Establish data requirements and operating record requirements in accordance with the terms and conditions of this Agreement.
- c. Review requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- d. Annually review the [REDACTED]
- e. Ensure that information is being provided by each Party regarding equipment availability.

- f. Perform such other duties as may be conferred upon it by mutual agreement of the Parties.
- g. Each Party shall cooperate in providing to the Committee all information required in the performance of the Committee's duties. All decisions and agreements, if any, made by the Committee shall be evidenced in writing. The Committee shall have no power to amend or alter the provisions of this Agreement.

SECTION 16: ASSIGNMENT/ORGANIZATIONAL CHANGE

16.1 Assignment by Generator.

- (a) EXCEPT AS EXPRESSLY PERMITTED BELOW, GENERATOR SHALL NOT DIRECTLY OR INDIRECTLY ASSIGN, TRANSFER, DELEGATE OR ENCUMBER THIS AGREEMENT AND/OR ANY OR ALL OF ITS RIGHTS, INTERESTS OR OBLIGATIONS UNDER THIS AGREEMENT AND ANY ASSIGNMENT, TRANSFER, DELEGATION OR ENCUMBERING BY GENERATOR (EXCEPT AS PERMITTED BELOW) SHALL BE VOIDABLE AT ALABAMA POWER'S OPTION. Notwithstanding the foregoing, so long as Generator is not in default under or in breach of this Agreement, upon prior written notice to Alabama Power, Generator may collaterally assign its rights, interests and obligations under this Agreement to its lender or an agent for the benefit of its lenders providing financing or refinancing for the design, construction or operation of Generator's facility near Moundville, Alabama in Hale County, Alabama (a "Permitted Financing Assignee"); provided, however, that GENERATOR'S OBLIGATIONS (FINANCIAL AND OTHERWISE) UNDER THIS AGREEMENT SHALL CONTINUE IN THEIR ENTIRETY IN FULL FORCE AND EFFECT AS THE OBLIGATIONS OF A PRINCIPAL AND NOT AS A SURETY. Generator shall remain fully liable for all of its obligations under or relating to this Agreement. At no time shall there be more than one Permitted Financing Assignee. Each such collateral assignment shall be subject to Alabama Power's rights hereunder.
- (b) The Permitted Financing Assignee shall not be entitled to foreclose or exercise its rights and remedies with respect to any collateral assignment permitted hereby unless and until the Permitted Financing Assignee has demonstrated to Alabama Power's reasonable satisfaction that it is permitted to do so (and Alabama Power has not received notice of a claim or a court or regulatory order to the contrary) and the purchaser at foreclosure, purchaser in lieu of foreclosure or similar purchaser or transferee ("Purchaser in Foreclosure") has (i) executed and delivered to Alabama Power and is in compliance with an agreement in form and substance reasonably acceptable to Alabama Power whereby such

Purchaser in Foreclosure assumes and agrees to pay and perform all then outstanding and thereafter arising obligations of Generator (whether or not discharged in any bankruptcy proceeding) under this Agreement, (ii) established to Alabama Power's reasonable satisfaction that such Purchaser in Foreclosure has all power, authority, licenses, permits and approvals and financial and technical wherewithal as may be required to execute, deliver and perform such agreement and satisfy all obligations thereunder, (iii) delivered a third party legal opinion reasonably acceptable to Alabama Power containing such opinions as Alabama Power may reasonably request, and (iv) delivered such certificates and representations of the Purchaser in Foreclosure as Alabama Power shall reasonably request in connection with any or all of the foregoing. Notwithstanding the foregoing, all obligations of Generator to Alabama Power under this Agreement shall also be and remain enforceable by Alabama Power against Generator. Each foreclosure or other exercise of rights and remedies and any assignment to a Purchaser in Foreclosure shall be subject to Alabama Power's rights hereunder.

- (c) Without limiting the provisions of Section 16.3 below, so long as Generator is not in default under or in breach of this Agreement, upon prior written notice to Alabama Power, Generator may absolutely assign all, but not less than all, of its rights, interests and obligations under this Agreement to another Person ("Outright Assignee") provided no such assignment shall be effective unless and until such Outright Assignee has (i) executed and delivered to Alabama Power and is in compliance with an agreement in form and substance reasonably acceptable to Alabama Power whereby such Outright Assignee assumes and agrees to pay and perform all then outstanding and thereafter arising obligations of Generator (whether or not discharged in any bankruptcy proceeding) under this Agreement, (ii) established to Alabama Power's reasonable satisfaction that such Outright Assignee has all power, authority, licenses, permits and approvals and financial and technical wherewithal as may be required to execute, deliver and perform such agreement and satisfy all obligations thereunder, (iii) delivered a third party legal opinion reasonably acceptable to Alabama Power containing such opinions as Alabama Power may reasonably request, and (iv) delivered such certificates and representations of the Outright Assignee as Alabama Power shall reasonably request in connection with any or all of the foregoing. Any assignment to an Outright Assignee shall be subject to Alabama Power's rights hereunder.
- (d) Generator shall indemnify, defend and hold harmless Alabama Power from and against any and all losses, liabilities, obligations, claims, demands, damages, penalties, judgments, costs and expenses, including reasonable attorneys' fees and expenses, howsoever and by whomsoever asserted, arising out of or in any way connected with any collateral, outright or other assignment by Generator, any foreclosure or other

exercise of remedies by the Permitted Financing Assignee with respect to this Agreement or Generator's or the Permitted Financing Assignee's rights or interests under this Agreement or any Organizational Change (as defined in Section 16.3). Notwithstanding any other provision of this Section 16.1, Generator shall not be obligated to indemnify and hold harmless Alabama Power from and against any loss, liability, obligation, claim, demand, damage, penalty, judgment, cost or expense to the extent caused by Alabama Power's sole negligence or willful misconduct.

16.2 Assignment by Alabama Power. Alabama Power may, at any time, without notice to, or the consent of, Generator or any other Person, including any Permitted Financing Assignee, Purchaser in Foreclosure, Outright Assignee or Successor Entity (defined below), merge, consolidate or combine with or into any other Qualified Person or sell, assign, delegate, encumber or transfer to any Indenture Trustee, Affiliate of Alabama Power, any successor by merger or otherwise of Alabama Power or any other Qualified Person, and/or create or permit to exist Permitted Liens against all or any part of this Agreement and/or Alabama Power's rights, obligations, title or interest in, to and under this Agreement.

16.3 Organizational Change. Until all of Generator's obligations under this Agreement have been irrevocably and indefeasibly performed and paid in full (other than contingent indemnity obligations for which no claim has been asserted), Generator will maintain its legal existence and will not dissolve, sell or otherwise dispose of all or substantially all of its assets nor merge, consolidate or combine with or into or acquire all or substantially all of the assets of another Person (nor agree to do any of the foregoing), unless at the time of any such sale, disposition, acquisition, merger, consolidation or combination ("Organizational Change") (i) the resulting, surviving or transferee Person ("Successor Entity") is Generator or assumes and is bound to pay and perform all then outstanding and thereafter arising obligations of Generator (whether or not discharged in any bankruptcy proceeding) under this Agreement by operation of law or pursuant to a signed written agreement delivered and reasonably satisfactory to Alabama Power, (ii) the Successor Entity has all power, authority, licenses, permits and approvals and financial and technical wherewithal as may be required to assume and perform all such obligations under this Agreement, (iii) the Successor Entity delivers to Alabama Power a third party legal opinion reasonably acceptable to Alabama Power containing such opinions as Alabama Power may reasonably request, and (iv) the Successor Entity delivers to Alabama Power such certificates and representations of the Successor Entity as Alabama Power shall reasonably request in connection with any or all of the foregoing.

SECTION 17: MISCELLANEOUS

17.1 Alabama Power's Agent. Wherever this Agreement requires Generator to provide information, schedules, notice or the like to, or to take direction from, Alabama Power, Generator shall provide information, schedules, notice or the like to, or receive direction from, Alabama Power or such agent of Alabama Power as Alabama Power may direct from time to time.

17.2 No Partnership. Generator and Alabama Power do not intend for this Agreement to, and this Agreement shall not, create any joint venture, partnership, association taxable as a corporation, or other entity for the conduct of any business for profit.

17.3 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon any respective successors and assigns of Generator and Alabama Power.

17.4 No Third Party Benefit. Nothing in this Agreement shall be construed to create any duty, obligation or liability of Alabama Power to any person or entity not a Party to this Agreement.

17.5 No Affiliate Liability. Notwithstanding any other provision of this Agreement, no Affiliate of Alabama Power (including any Affiliate of Alabama Power acting as Alabama Power's agent where Alabama Power's agent is given certain authorities pursuant hereto) shall have any liability whatsoever for any Party's performance, nonperformance or delay in performance under this Agreement.

17.6 Time of Essence. Time is of the essence with respect to all provisions of this Agreement.

17.7 No Waiver. Neither Alabama Power's nor Generator's failure to enforce any provision or provisions of this Agreement shall in any way be construed as a waiver of any such provision or provisions as to any future violation thereof, nor prevent it from enforcing each and every other provision of this Agreement at such time or at any time thereafter. The waiver by either Alabama Power or Generator of any right or remedy shall not constitute a waiver of its right to assert said right or remedy, at any time thereafter, or any other rights or remedies available to it at the time of or any time after such waiver.

17.8 Amendments. Except as contemplated by Section 12.3, this Agreement may be amended by and only by a written instrument duly executed by each of Generator and Alabama Power, which has received all approvals of Governmental Authorities of competent jurisdiction necessary for the effectiveness thereof.

17.9 Notice. Any notice, request, consent or other communication permitted or required by this Agreement shall be in writing and shall be deemed given on the Day hand-delivered to the representative identified below, or the third (3rd) Day after the same is deposited in the United States Mail, first class postage prepaid, and if given to Alabama Power shall be addressed to:

Alabama Power Company
Attn: Vice President, Transmission
600 North 18th Street
Birmingham, AL 35203

with a copy to:

Alabama Power Company
Attn: Marketing Director
600 North 18th Street
Birmingham, AL 35203

Alabama Power Company
Attn: Vice President, Distribution
600 North 18th Street
Birmingham, AL 35203

and if given to Generator shall be addressed to:

Westervelt Renewable Energy, LLC
Attn: President
1400 Jack Warner Pkwy NE
Tuscaloosa, AL 35404

unless Alabama Power or Generator shall have designated a different representative or address for itself by written notice to the other. Generator shall comply with reasonable requirements of Alabama Power regarding communications with Alabama Power relative to the performance of this Agreement.

17.10 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

17.11 Cross-References. All cross-references contained in this Agreement to Sections, are to the Sections of this Agreement, unless otherwise expressly noted.

17.12 Article and Section Headings. The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

17.13 Including. Wherever the term “including” is used in this Agreement, such term shall not be construed as limiting the generality of any statement, clause, phrase or term and shall be deemed to be followed by the words “without limitation”.

17.14 Governing Law. The validity, interpretation and performance of this Agreement, and each of its provisions, are subject to and shall be governed by the laws of the State of Alabama, without giving effect to conflict of laws principles.


17.15 Merger. This Agreement represents the entire agreement between the Parties and all previous communications, representations and agreements between the Parties with reference to the subject matter of this Agreement, whether oral or written, are hereby abrogated.

17.16 NERC. To the extent not inconsistent herewith, Generator shall comply with any operational specifications and requirements specified by Alabama Power and all planning standards and operating guidelines of NERC or its successor.

17.17 Good Utility Practices and Reliability Standards. The Parties shall discharge their respective obligations under this Agreement in accordance with Good Utility Practices and with any applicable Reliability Standards.

17.18 Confidential Information.

17.18.1 Confidential Information shall mean any confidential and/or proprietary information provided by Alabama Power or Generator (“Disclosing Party”) to the other Party (“Receiving Party”) and which is clearly marked or otherwise designated as “CONFIDENTIAL.” Except as otherwise provided herein, each Party shall hold in confidence and shall not disclose Confidential Information to any person (except employees, officers, representatives, agents and advisors of such Party and/or its Affiliates that agree to be bound by this Section 17.18).



[REDACTED]

17.18.2

[REDACTED]

17.19 Cooperation. Each Party to this Agreement shall reasonably cooperate with the other as to all aspects relating to the performance of its respective obligations under this Agreement; provided, however, this agreement of cooperation shall not constitute a waiver or relinquishment of either Party's rights under this Agreement in law or equity.

17.20 Negotiated Agreement. The language used in this Agreement is the product of both Parties' efforts. Accordingly, each Party irrevocably waives the benefit of any rule of contract construction that disfavors the drafter of a contract or the drafter of specific language in a contract.

17.21 Subcontractors. Nothing in this Agreement shall be construed as preventing either Party from utilizing the services of subcontractors as it deems appropriate; provided, however, that all such contractors comply with the applicable terms and conditions of this Agreement. The creation of any subcontract relationship shall not relieve the retaining Party of any of its obligations under this Agreement.

17.22 [REDACTED] The terms and conditions set forth herein shall govern the interconnection of the Facility to the Alabama Power Electric System [REDACTED]
[REDACTED]

[The next page is the signature page]

IN WITNESS WHEREOF, Generator and Alabama Power have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.

WESTERVELT RENEWABLE ENERGY, LLC

By: /s/ Michael J. Williams
Michael J. Williams

Title: Vice-President

Date: October 16, 2009

ALABAMA POWER COMPANY

By: /s/ Steve R. Spencer
Steve R. Spencer

Title: Executive Vice President

Date: October 16, 2009

APPENDIX A
INTERCONNECTION PROCEDURES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

APPENDIX B

**SPECIFICATIONS
TO
INTERCONNECTION AGREEMENT
BETWEEN
GENERATOR
AND
ALABAMA POWER COMPANY**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c. [REDACTED].

[REDACTED]

[REDACTED]

[REDACTED]

a. [REDACTED]

b. [REDACTED]

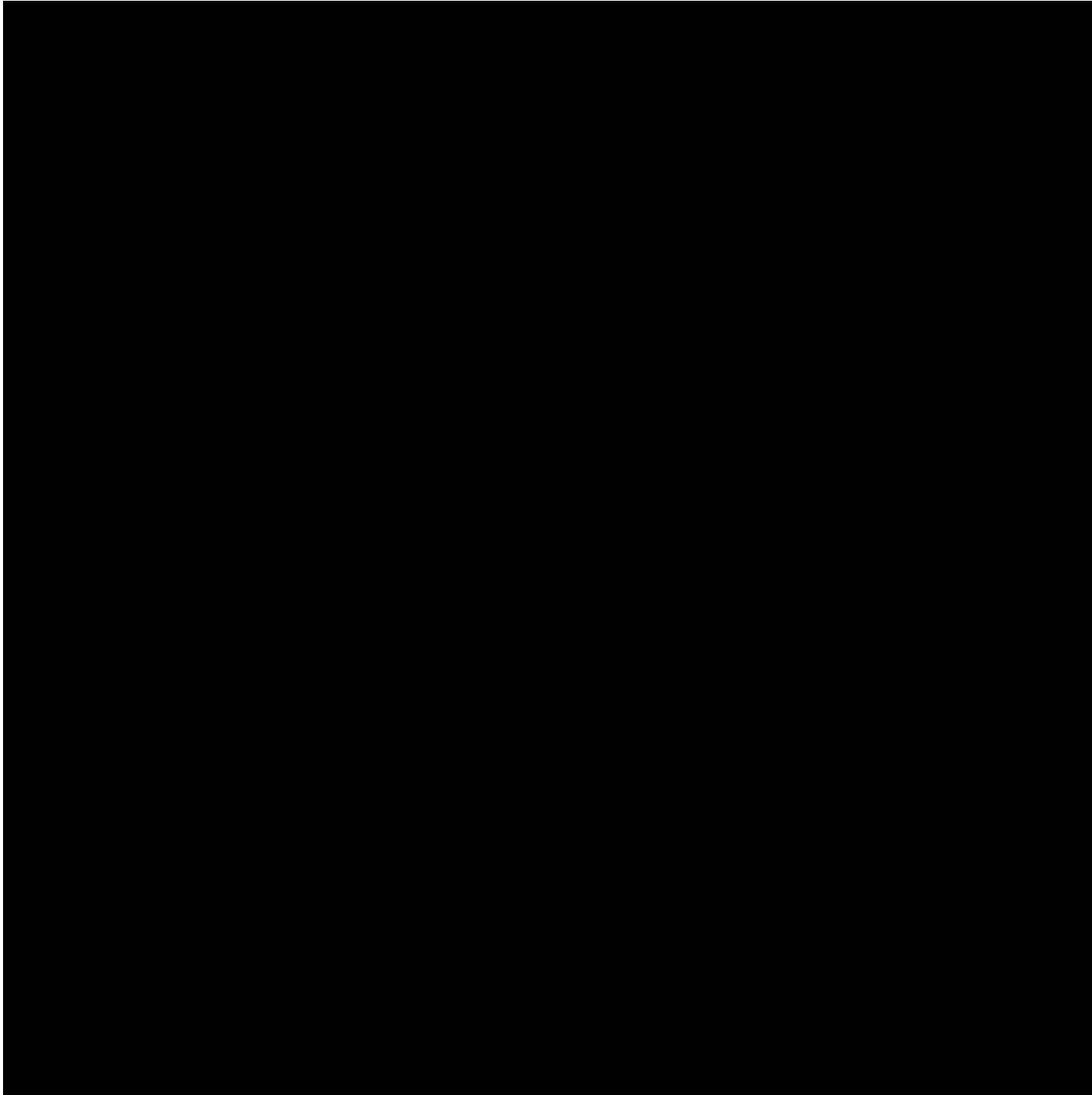
c. [REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



APPENDIX C
INSURANCE REQUIREMENTS

