

Bond Number: \_\_\_\_\_

Annual Premium: \_\_\_\_\_

**INTERCONNECTION PAYMENT BOND**  
***Pursuant To FERC Regulations for Interconnection Financial Security***

KNOW ALL MEN BY THESE PRESENTS, that we, \_\_\_\_\_ as Principal ("Principal") and \_\_\_\_\_, a corporation duly organized under the laws of \_\_\_\_\_ with its principal office at \_\_\_\_\_ and authorized to engage in the surety business in the State of \_\_\_\_\_ ("Surety") are held and firmly bound unto \_\_\_\_\_ ("Obligee") in the penal amount of \$ \_\_\_\_\_ (\$ \_\_\_\_\_), lawful money of the United States of America for the payment of which amount Principal and Surety bind themselves, their successors, executors, administrators and assigns, jointly and severally.

WHEREAS, Principal and Obligee have entered into an Agreement as follows:

Interconnection process governed by \_\_\_\_\_  
*Instructions: If the surety bond is being posted prior to the Interconnection Agreement being executed then enter the State Specific Tariff that governs the obligations.*  
*Example: California Independent System Operator Corporation Fifth Replacement FERC Electric Tariff as of December 19 2014*

that certain Interconnection Agreement between the parties that contains provisions for Principal to post Interconnection Financial Security as provided for under State and FERC regulations at the time the agreement was executed dated \_\_\_\_\_ for the following project:

*Instructions: Enter the full name and description of the project*

Collectively referred to as "Agreement".

WHEREAS, should Principal default or withdraw, Principal is obligated to the extent provided for in the Agreement up to the penal amount of the bond, including consideration of any net credits in the project accounts, conditions for partial recovery or reductions in penalties as outlined in the Agreement, including but not limited to failure to obtain a power purchase agreement, failure to secure a necessary permit, an increase in cost of the transmission operator facilities, or material change in the facilities, as applicable.

The obligation of Surety shall arise when Principal is notified to cure a default, with concurrent notice to Surety, and does not cure the default within the timeframe required under the Agreement, such cure period not to exceed 30 days.

Surety may cancel this bond with forty-five days' notice to Obligee, which notice would represent a default by Principal as respects its obligation to maintain security. Should Principal not cure the resulting default within the timeframe required under the agreement then Obligee may file a claim against this Interconnection Payment Bond.

NOW, THEREFORE, the condition of this obligation is such that if Principal shall pay the amount due then this obligation shall be null and void, otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that regardless of the number of years this bond is in force, Surety shall not be liable hereunder for a larger amount, in the aggregate, than the Maximum Amount listed above.

This Interconnection Payment Bond shall be governed by and construed in accordance with the laws of the state of \_\_\_\_\_

SIGNED, SEALED AND DATED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Principal

By:

Surety

By: \_\_\_\_\_, Attorney-in-fact