



Allegheny Power

an Allegheny Energy company

800 Cabin Hill Drive
Greensburg, PA 15601-1689
(724) 837-3000

March 11, 2002

Mr. Kevin Rackstraw
Clipper Windpower, Inc.
6500 Pyle Road
Bethesda, MD 20817

Dear Mr. Rackstraw,

Enclosed is a fully executed copy of the Feasibility Study Agreement for Clipper Windpower's proposed non-utility generation site in Garrett County, Maryland.

Respectfully,

T. V. Spencer
Senior Engineer,
System Planning

enclosure

cc: Mr. J. L. Munsch

ATTACHMENT M

Form of Agreement For Feasibility Studies

RECITALS

1. This Feasibility Study Agreement, dated as of January 29, 2002, entered into, by and between Clipper Windpower, Inc. ("Interconnection Customer") and Allegheny Power.
2. The Interconnection Customer has submitted an Interconnection Request and has paid the requisite \$10,000 deposit to Allegheny Power.
3. Interconnection Customer requests interconnection to the Transmission System of a generating project with the following specifications.
 - a. **Location of generating unit site:**
The project will be located on Backbone Mountain near the town of Oakland, Maryland, near where Route 560 crosses the top of the ridge.
(see attached for additional description.)
 - b. **Identification of evidence of ownership interest in, or right to acquire or control, the generating site:**
The enclosed memoranda of easements are submitted as evidence that Clipper has appropriate control over the referenced parcels.
 - c. **Size in megawatts of generating unit or increase in capacity of existing generating unit:**
We are proposing a project of 72 MW of nameplate capacity but would like to explore the potential for as much as 100 MW at the interconnection point.
 - d. **Description of the equipment configuration:**
The project will utilize wind turbines of 1.5 MW each in rated capacity. The turbines will be 3-bladed, horizontal axis turbines from a reliable and tested vendor. (See attached for additional description.)
 - e. **Planned date the generating unit or increase in capacity will be in service:**
Clipper is targetting an in-service date of 6/30/03.
 - f. **Other information:**
Contact Information: Kevin Rackstraw, East Coast Office, Clipper Windpower, Inc., 6500 Pyle Road, Bethesda, Maryland 20817; 301/263-0028. Fax: 301/263-0042. Email: krackstraw@clipperwind.com

PURPOSE OF THE FEASIBILITY STUDY

4. Allegheny Power shall conduct a Feasibility Study to provide the Interconnection Customer with preliminary determinations of: (i) the type and scope of the Attachment Facilities, Local Upgrades, and Network Upgrades, that will be necessary to accommodate the Interconnection Customer's Interconnection Request; (ii) the time that will be required to construct such facilities and upgrades; and (iii) the Interconnection Customer's cost responsibility for the necessary facilities and upgrades. In the event that the Transmission Provider is unable to complete the Feasibility Study by March 31, for Interconnection Requests (including execution of this Feasibility Study Agreement) received in the six-month period ended January 31 and by September 30 for Interconnection Requests (including execution of this Feasibility Study Agreement) received in the six-month period ended July 31, Allegheny Power shall notify the Interconnection Customer and provide an estimated completion date along with an explanation of the reasons for the delay.
5. The Feasibility Study conducted hereunder will provide only preliminary non-final estimates of the cost and length of time required to accommodate the Interconnection Customer's Interconnection Request. More comprehensive estimates will be developed only upon execution of a System Impact Study Agreement and a Facilities Study Agreement in accordance with Attachment L of the AP Tariff. The Feasibility Study necessarily will employ various assumptions regarding the Interconnection Request, other pending requests, and Allegheny Power's transmission expansion plans at the time of the study. The Feasibility Study shall not obligate Allegheny Power to interconnect with the Interconnection Customer or construct any facilities or upgrades.

CONFIDENTIALITY

6. The Interconnection Customer agrees to provide all information requested by Allegheny Power necessary to complete the Feasibility Study. Allegheny Power agrees that information provided pursuant to this Agreement shall be and remain confidential.
7. Until completion of the Feasibility Study, Allegheny Power shall keep confidential all information provided to it by the Interconnection Customer. Upon completion of the Feasibility Study, the study will be listed on Allegheny Power's Internet Web Site and, to the extent required by Commission regulations, will be made publicly available upon request, except that the identity of the Interconnection Customer shall remain confidential and will not be posted on Allegheny Power's Internet Web Site.

COST RESPONSIBILITY

8. The Interconnection Customer shall reimburse Allegheny Power for the actual cost of the Feasibility Study. The \$10,000 deposit paid by the Interconnection Customer shall be applied toward the Interconnection Customer's Feasibility Study cost responsibility. In the event that Allegheny Power anticipates that the actual study costs will exceed \$10,000, Allegheny Power shall provide the Interconnection Customer with an estimate of the study costs. Within 10 days of receiving such estimate, the Interconnection Customer may withdraw its Interconnection Request. Unless the Interconnection Request is withdrawn, the Interconnection Customer agrees to pay the actual additional costs of the Feasibility Study.

DISCLAIMER OF WARRANTY, LIMITATION OF LIABILITY

9. In analyzing and preparing the Feasibility Study, Allegheny Power and any other subcontractors employed by Allegheny Power shall have to rely on information provided by the Interconnection Customer and possibly by third parties and may not have control over the accuracy of such information. Accordingly, NEITHER THE TRANSMISSION PROVIDER NOR ANY OTHER SUBCONTRACTORS EMPLOYED BY ALLEGHENY POWER MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE TRADE OR PROFESSION, OR OTHERWISE, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO THE ACCURACY, CONTENT, OR CONCLUSIONS OF THE FEASIBILITY STUDY. The Interconnection Customer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder. Neither this Feasibility Study Agreement nor the Feasibility Study prepared hereunder is intended, nor shall either be interpreted, to constitute agreement by Allegheny Power to provide any transmission or interconnection service to or on behalf of the Interconnection Customer either at this point in time or in the future.

10. In no event will Allegheny Power or other subcontractors employed by Allegheny Power be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, whether under this Feasibility Study Agreement or otherwise, even if Allegheny Power or other subcontractors employed by Allegheny Power have been advised of the possibility of such a loss. Nor shall Allegheny Power or other subcontractors employed by Allegheny Power be liable for any delay in delivery or of the non-performance or delay in performance of Allegheny Power's obligations under this Feasibility Study Agreement.

Without limitation of the foregoing, the Interconnection Customer further agrees that Allegheny Power and other subcontractors employed by Allegheny Power to prepare or assist in the preparation of any Feasibility Study shall be deemed third part beneficiaries of this provision entitled "Disclaimer of Warranty/Limitation of Liability."

MISCELLANEOUS

11. Any notice or request made to or by either party regarding this Feasibility Study Agreement shall be made to the representative of the other party as indicated below.

Transmission Provider

General Manager, System Planning
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601

Interconnection Customer

Kevin Rackstraw

Clipper Windpower, Inc.

6500 Pyle Road

Bethesda, Maryland 20817

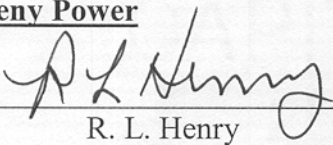
301/263-0028 (ph); 301/263-0042 (fax)

12. No waiver by either party of one or more defaults by the other in performance of any of the provisions of this Feasibility Study Agreement shall operate or be construed as a waiver of any other or further default or defaults, whether of a like or different character.
13. This Feasibility Study Agreement or any part thereof, may not be amended, modified, or waived other than by a writing signed by all parties hereto.

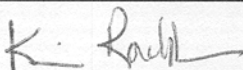
- 14. This Feasibility Study Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns.
- 15. Neither this Feasibility Study Agreement nor the Feasibility Study performed hereunder shall be construed as an application for service under Allegheny Power's Open Access Transmission Tariff (OATT).
- 16. This Feasibility Study Agreement and the Feasibility Study conducted hereunder are subject to and conditioned upon acceptance by the Federal Energy Regulatory Commission of Attachments L and M of the Allegheny Power Tariff.

IN WITNESS WHEREOF, Allegheny Power and the Interconnection Customer have caused this Feasibility Study Agreement to be executed by their respective authorized officials.

Allegheny Power

By:  Director, Asset Management 3/11/02
R. L. Henry Title Date

Interconnection Customer

By:  Director, Project Development 1/29/02
Name Title Date
Kevin Rackstraw