

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on April 19, 2018

COMMISSIONERS PRESENT:

John B. Rhodes, Chair
Gregg C. Sayre
Diane X. Burman, concurring
James S. Alesi

CASE 18-E-0018 - In the Matter of Proposed Amendments to the New York State Standardized Interconnection Requirements (SIR) for Small Distributed Generators.

CASE 15-E-0557 - In the Matter of Proposed Amendments to the New York State Standardized Interconnection Requirements (SIR) for Distributed Generators 2 MW or Less.

CASE 15-E-0751 - In the Matter of the Value of Distributed Energy Resources.

ORDER MODIFYING STANDARDIZED INTERCONNECTION REQUIREMENTS

(Issued and Effective April 19, 2018)

BY THE COMMISSION:

INTRODUCTION

The existing New York State Standardized Interconnection Requirements (SIR) provide an efficient interconnection process that allows distributed generation (DG) developers to connect projects to the distribution system without undue delay. By applying the SIR, the interconnecting utility may effectively analyze and process a high volume of DG applications, and efficiently advance projects through the interconnection queue. The SIR have been in place since 1999,

when the Commission recognized the importance of DG units.¹ Over the years, the SIR have been periodically revised to incorporate gradual increases in DG capacity, address evolving technologies, and improve the overall interconnection process.

As part of the Value of Distributed Energy Resources (VDER) Implementation Order, the Commission directed Department of Public Service Staff (Staff) to undertake consultations with stakeholders concerning two issues, and to file recommended updates to the SIR.² In particular, the Commission sought proposals for integrating energy storage systems (ESS) into the interconnection process, and for extending "Value Stack" compensation under VDER tariffs to projects larger than 2 MW.

On December 20, 2017 Staff filed these proposed changes in Cases 15-E-0751 and 15-E-0557, which included stakeholder input obtained through the Interconnection Policy Working Group (IPWG) and the Interconnection Technical Working Group (ITWG), among other forums.³ By this order, the Commission accepts Staff's proposed SIR update, with modifications, as discussed herein and shown in Exhibit A.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking (SAPA Notice)

¹ Case 94-E-0952, In the Matter of Competitive Opportunities Regarding Electric Service, filed in C 93-M-0229, Opinion and Order Adopting Standardized Interconnection Requirements for Distributed Generation Units (issued December 31, 1999).

² Case 15-E-0751 et al., Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters (issued September 14, 2017) (VDER Implementation Order).

³ See also, Case 18-E-0018, Cover Letter and SIR Staff Proposal (filed January 10, 2018).

was published in the State Register on January 10, 2018 [SAPA No. 15-E-0557SP3]. The time for submission of comments pursuant to the SAPA Notice expired on March 12, 2018.

On January 11, 2018, the Secretary to the Commission (Secretary) issued a "Notice Soliciting Comments on Proposed Modifications to the Standardized Interconnection Requirements," seeking comments on Staff's proposal and a list of specific questions (Secretary's Notice). Initial comments were sought by March 12, 2018, with replies due by March 26, 2018.

In response to the SAPA Notice and the Secretary's notice, various comments were received on a timely basis. These comments, as well as comments filed out-of-time by the Utility Intervention Unit within the New York Department of State (UIU), are addressed below.

THE STAFF PROPOSAL

Integrating Energy Storage Systems

The Staff proposal reflects Staff and stakeholder views that the interconnection process can, and should, be updated to support DG projects paired with ESS, as well as stand-alone ESS operating in parallel with the distribution system.⁴ Staff's filing proposes a new storage-specific section of the SIR, identified as Section D. Staff's proposed Section D covers four types of ESS applications, including: 1) new DG projects paired with ESS; 2) stand-alone ESS; 3) the addition of ESS to an already interconnected DG facility; and, 4) modifications to an existing ESS' mode of operation.

The Staff filing does not propose to unreasonably limit the project configuration that an applicant may propose, allowing developers the flexibility to propose the

⁴ Storage projects that do not "operate in parallel" with the distribution system will not be subject to the SIR.

configurations that they determine may be most economic. The proposed Appendix K requires an applicant to submit detailed information on the ESS' operating characteristics, without limiting potential applications. One threshold SIR eligibility limit, the 5 megawatt (MW) cap, is preserved by limiting the alternating current (AC) nameplate rating of each element. Under Staff's proposal, neither the DG⁵ nor the ESS⁶ may exceed 5 MW, and the exported energy of a hybrid project may not exceed 5 MW.

The proposed Section D applies the existing SIR steps to define the process and deadlines that will apply to the four new types of applications. As is currently done, the interconnecting utility will look at the nameplate rating (or ESS AC inverter/converter rating) to determine which part of the SIR applies to a given storage application. For example, an application to install a 2 MW solar generating system paired with 2 MW of storage capability will be processed under Section C of the SIR, which governs projects with a nameplate rating above 50 kilowatt (kW). Similarly, a proposal to add 40 kW of storage to an existing 40 kW DG facility will follow the rules in Section B, which apply to small systems sized up to 50 kW, as long as the net export capabilities do not exceed 50 kW.

As is the case under the existing SIR, the Staff filing relies on the interconnecting utility's technical review to identify what, if any, system modifications or upgrades may be needed to support the applicant's proposal. The utility then provides the applicant with an estimate of the costs of constructing those necessary system modifications, and the applicant has the choice of either accepting those costs or

⁵ Determined according to the AC generator nameplate rating.

⁶ Determined according to the AC inverter/converter nameplate rating.

withdrawing the application.⁷ Staff's proposed Section D recommends process steps for ESS, including a modified version of the New York State Standardized Contract shown in Staff's filing as Appendix A1, which incorporates the approved operating parameters for the storage system.

Increase in Value Stack Eligible Project Size from 2 MW to 5 MW

In response to the VDER Implementation Order directive to identify and consider technical issues and queue management concerns that may arise with larger projects, Staff, in consultation with stakeholders, did not identify any negative impacts to utility service or additional costs due to an increased number of larger project applications. The current SIR allow projects up to 5 MW, and the utilities are prepared to process an increased number of these applications.⁸

Developers questioned whether applications for smaller projects that are currently in the interconnection queue could be combined, and expressed concerns regarding how that process might impact current queue positions. In response, the Staff filing proposes a new Section E authorizing certain existing project applications to be re-studied as combined projects. The recommended rules in Section E would allow project applications that are located on the same circuit and substation bus, which can be combined without adverse impact to another applicant, to be re-studied at the developer's option and cost. The Staff proposal provides for the suspension of otherwise applicable

⁷ As in the existing SIR, Staff's proposed revisions allow the utility and the applicant to adjust the proposed operating parameters to minimize the costs of system upgrades where it is technically feasible.

⁸ See Case 15-E-0557, Order Modifying Standardized Interconnection Requirements, (issued March 18, 2016) (2016 SIR Modifying Order). The 2016 SIR Modifying Order increased the maximum capacity threshold from 2 MW to 5 MW.

progress deadlines in order to allow time for any necessary re-study, but balances this deadline suspension with requirements for applicants to make prompt decisions on whether or not to proceed with the combined project. Staff advises that this solution provides flexibility to developers without causing undue delay to other applications in utility queues.

Other SIR Modifications

The Staff proposal includes a number of changes that are not directly related to the VDER Implementation Order directives. Staff explains that these suggested modifications were informed by stakeholders in the ITWG and the IPWG, stakeholder comments, and Staff's experience implementing the SIR according to Commission policies.

For example, the proposed Staff filing removes several references to NEM, where NEM compensation under PSL §66-j is no longer available,⁹ while preserving provisions related to new wind projects, which remain eligible for NEM compensation until the statutory cap of three-tenths percent of the 2005 electric demand for each utility is met.¹⁰

Staff also suggests changes to the technical screening criteria, which were first included in the SIR in 2016.¹¹ Staff explains that consultations with the ITWG, and experience learned over the last two years, indicate that improvements to the existing technical screening criteria are warranted. Staff states that its proposal will clarify some of the existing screens for standardized applications across the State, as well

⁹ Case 15-E-0751, et al., In the Matter of the Value of Distributed Energy Resources, Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters (issued March 9, 2017), p. 13.

¹⁰ PSL §66-1(3)iii.

¹¹ 2016 SIR Modifying Order, p. 16.

as improve or replace some existing screens that are not as useful as originally expected.

In order to revise the technical screening criteria, Staff asked the Electric Power Research Institute (EPRI), one of the technical consultants assisting the ITWG, to provide recommendations on improvements to the screening criteria that Staff explains were vetted and discussed as part of the ITWG discussions. The technical screening criteria were also modified to incorporate ESS into the existing screening criteria. Staff believes the screening criteria proposed in the Staff filing will result in a more efficient preliminary technical evaluation process that will help move proposed interconnection projects toward completion, while ensuring the safety and reliability of the electrical system.

Staff points out that other proposed changes are intended to clarify the steps involved in executing the New York State Standardized Contract. Under the existing SIR, developers of both large and small projects sign and submit a contract with the application. Staff recommends shifting the execution of the contract to a later point in the interconnection process. Except for small, fast-tracked projects, Staff proposes that the parties sign the New York State Standardized Contract after the utility system modifications and cost estimates have been identified. The Staff proposal also requires the utility to provide an initial construction schedule with the interconnection study results, which can be discussed with the applicant. With these changes, Staff believes its proposal ensures a developer will have an understanding of both the project costs, and the utility's schedule for its part of the construction work, at the time the developer signs the contract. The other changes recommended in the Staff filing include

miscellaneous clarifications, minor corrections, and definitions for new terms that are used in the SIR.

COMMENTS

Individual comments were filed by the Joint Utilities of New York¹² (Joint Utilities), the New York Solar Energy Industries Association (NYSEIA), Public Service Enterprise Group Long Island (PSEG-LI), High Peaks Solar (High Peaks), Hudson Valley Clean Energy, Inc. d/b/a Hudson Solar (Hudson Solar), the City of New York (the City), Consumer Power Advocates (CPA),¹³ the University of Delaware, and UIU. Participants in the IPWG & ITWG submitted an additional set of consensus comments (hereafter the Stakeholder Filing).¹⁴

In general, the commenters agreed with Staff and only proposed minor changes to the Staff proposal regarding including ESS, consolidation of smaller projects, and the miscellaneous SIR modifications and clarifications. Some commenters responded to the specific questions raised in the Secretary's Notice. However, many of the Stakeholder Filing and UIU topics addressed issues beyond those proposed in the Staff filing and outside the scope of the topics raised in the Secretary's Notice.

¹² The Joint Utilities include Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation.

¹³ CPA is coalition of not-for-profit commercial healthcare and educational customers in Con Edison's service territory.

¹⁴ Signatories to the Stakeholder Filing include the Joint Utilities, NYSEIA, BQ Energy, Inc., Clean Energy Collective, Monolith Solar Associates, Cypress Creek Renewables, Borrego Solar Systems, Inc., Cleanchoice Energy, Hudson Solar, Taitem Engineering, PC, Suncommon NY, and Distributed Sun LLC.

Initial Comments

1. The Stakeholder Filing

The signatories' joint comments respond to the questions posed by the Secretary's Notice and offer a number of other changes they believe will materially improve the interconnection process for projects in New York. The filers explain that their mark-up reflects consensus reached by the participants in the filing group. However, the Joint Utilities and the participating developers could not come to agreement on Staff's proposed changes to the SIR technical screens (Appendix G); therefore each group submitted individual comments specific to the technical screens.

The Stakeholder Filing suggests adding provisions to the standard interconnection contract requiring all DG and ESS facilities with an AC nameplate rating of 300 kW and above to obtain and maintain commercial general liability insurance. The Stakeholder Filing proposes specific insurance thresholds and requirements for all DG and ESS facilities with an AC nameplate rating 300 kW and more, and recommends that smaller facilities procure adequate levels of insurance. Related provisions addressing insurer requirements, evidence of insurance, self-insurance, notice obligations, limitations of liability, indemnity, and consequential damages are addressed by the Stakeholder Filing.

The Stakeholder Filing also proposes to modify the construction payment timelines and thresholds for all DG and ESS facilities above 50 kW. The filing parties explain that these changes will better align a developer's payment milestones with the local permitting process, establish appropriate payment amounts, and provide consistent project construction schedule information for all interconnection projects and customers.

The IPWG & ITWP commenters also advise against accepting the Staff's proposed rules for combining DG applications, claiming that these guidelines should continue to be developed through the IPWG. Instead, the Stakeholder Filing recommends that the Commission issue guidance rules for combining such applications coincident with the SIR update, to be effective on a limited-time basis for up to 120 business days following the Commission guidance order.

2. NYSEIA

NYSEIA's individual comments focused on Appendix G, which contains the technical screens applied in the interconnection process. The comments included suggested language changes to screens B (Certified Equipment), C (Electric Power System Rating), D (Line & Grounding Configuration), E (Penetration Test), F (Feeder Capacity), G (Supplemental Penetration Test), H (Voltage Flicker), and I (Operating, Protection & Coordination Analysis). NYSEIA states that up-to-date technical screens are essential to the successful interconnection of DG facilities to the electric distribution grid, explaining that they are in place to help ensure interconnection projects with minimal impacts are not unnecessarily driven to lengthy and expensive full studies by the Joint Utilities.

In relation to technical screen F (Feeder Capacity), NYSEIA recommends a feeder capacity ratio of 50 be used with a system impedance (Z/R) multiplier for the screening calculation, instead of the original value of 25 without any multiplier. For screen H (Voltage Flicker), NYSEIA recommends the addition of a rapid voltage change test (proposed as test number three). NYSEIA's remaining comments focus on suggested changes to existing language associated with the technical screens in an

effort to better clarify and express what is being tested within each screen.

3. Joint Utilities

The Joint Utilities also submitted individual comments focused on Appendix G of the SIR. The comments included suggested language changes to each of the six preliminary screens: A (Point of Common Coupling on Secondary Network), B (Certified Equipment), C (Electric Power System Rating), D (Line & Grounding Configuration), E (Penetration Test), and F (Feeder Capacity). The Joint Utilities also suggested revised language for the three supplemental screens: G (Supplemental Penetration Test), H (Voltage Flicker) and I (Operating, Protection & Coordination Analysis). Except for screen H (voltage flicker), the Joint Utilities' comments were mainly focused on suggested changes to existing language to better clarify and express what is being tested within each screen. In relation to screen H, the Joint Utilities suggested two additional tests be included within the screen to cover additional voltage concerns by proposed interconnection.

4. The City

The City asserts that interconnection customers and developers should have the ability to submit documents to a utility in ways other than through the utility's Interconnection Online Application Portal (IOAP). The City argues that the IOAP may not function properly or may be unavailable due to maintenance. The City also states that the electric utilities should be held accountable for a failure to comply with the timelines in the SIR. The City asserts that any insurance requirements should be symmetrical for utilities and developers, where both sides get protected from damage cause by the other entity. Lastly, the City requests that the Commission grant more time for municipalities to complete the SIR steps. The

City notes that municipalities have to follow and meet other governmental procurement rules, and that these present obstacles to meeting SIR timeframes and deadlines.

5. PSEG-LI

PSEG-LI submitted responses to the questions included with the Secretary's Notice. PSEG-LI states that the existing Small Generation Interconnection Procedures (SGIP) applicable in its territory include language that recommends liability insurance, but does not require such provisions. PSEG-LI supports the following limits of insurance: \$1 million Workers Compensation, \$3 million for Excess Liability and \$1 million for Auto Insurance. PSEG-LI maintains that the interconnecting utility should be an "additional insured" under the DG facility owner's policy, and that the facility owner should be allowed to self-insure.

PSEG-LI suggests that the construction payments schedule does not appear to line up with local siting processes, and that requiring a deposit followed by progress payments would improve the current process. PSEG-LI explains that the time required to obtain local approvals is difficult to predict but adds that the 12 months provided under the Long Island SGIP is reasonable. The company's practice in providing refunds when a developer is unable to obtain local approvals is to refund advance payments, less any charges for services or construction. PSEG-LI believes a 30 percent deposit is a sufficient indicator of a developer's intention to proceed to construction.

6. Hudson Solar

Hudson Solar recommends a change to existing requirements relating to when a net meter should be installed. Hudson Solar suggests including language in the SIR to allow a developer to request the net meter installation 15 business days in advance of when a project is intended to be completed.

Additionally, Hudson Solar recommends that the existing technical screens within the SIR remain unchanged at this time, since the IPWG and ITWG commenters have not come to a consensus agreement on the technical screens that should be updated. Hudson Solar is concerned that any new or updated technical screens could have negative financial impacts on smaller commercial projects and recommends maintaining the current technical screens until further consensus by the IPWG & ITWG can be reached.

7. High Peaks

In response to the Secretary's Notice, High Peaks states that the construction payments schedule does not align properly with local siting processes. Explaining that some projects require approvals from different boards in the same municipality and these boards do not meet on coordinated schedules, High Peaks requests additional time to remit payment when local siting processes present delays. High Peaks supports the Stakeholder Filing proposal to allow up to 90 business days for a developer to make its initial 25 percent construction cost down payment. High Peaks recommends making the 75 percent balance due the lesser of either 60 days after a project receives its site plan approval or 356 days. High Peaks says that one year is a reasonable time to allow a developer to obtain local approvals after making the construction down payment and believes the construction payment should be refundable. High Peaks suggests reducing the down payment to 12.5 percent, advising that a lower amount would result in more project development.

8. The University of Delaware

The University of Delaware (University) argues that the SIR do not discuss or address electric vehicle related topics, but should. The University states that existing

inverter standards (Underwriters Laboratories Inc. 1741) discussed in the SIR do not account for or address mobile inverters like what is used in electric vehicles. The University explains that the SIR should include references to SAE International J3072, which is another industry standard that accounts for electric vehicles and associated equipment. In the newly proposed Appendix K, the University advises that there are no provisions for frequently connected and disconnected ESS, such as electric vehicles. Lastly, the University requests an expedited processes for ESS less than 50 kW.

Reply Comments

1. Joint Utilities

The Joint Utilities respond to the initial comments of the City in terms of Interconnection Metrics, Reciprocal Insurance Requirements, SIR Flexibility to Municipalities and use of the IOAP. For Interconnection Metrics, the Joint Utilities state that electric utilities are already complying with SIR deadlines. Additionally, the Joint Utilities advise that Interconnection Earning Adjustment Measures (IEAMs) have already been addressed by the Commission and through each respective utility's rate case.

Regarding insurance requirements, the Joint Utilities acknowledge that parties are beginning to align opinions and that the suggested language from the Stakeholder Filing should provide movement on this topic. The Joint Utilities state that the City's initial comments request specialized treatment for the application of the SIR to municipalities and advises that this request should be rejected. Lastly, in terms of the IOAP usage, the Joint Utilities state that the IOAP language in the SIR should be interpreted reasonably and that if there were any issues with the IOAP systems, the utilities would work with the

applicants so that documents may be submitted in a timely manner.

2. The City

The City states that the Stakeholder Filing aligns with its initial comments, stating that utilities should be a named insured in the general liability policies of project developers and that developers should be permitted to self-insure. The City also supports the Stakeholder Filing proposal to better align SIR payment milestones with local permitting processes. Furthermore, the City notes that allowing developers to pay electronically for impact studies and upgrades costs would be beneficial and help mitigate delays, reduce soft costs, and improve overall efficiency.

3. CPA

According to CPA, developers should be allowed, under certain circumstances, to submit project documents through other means than just the IOAP. In addition, it argues that utilities should be held accountable for failure to meet deadlines imposed in the SIR. Lastly, it contends that municipalities should be given more flexibility to coordinate with utilities on large construction projects.

4. UIU

UIU comments on what it sees as an inconsistency in the Stakeholder Filing concerning the amount of notice a Distributed Energy Resource (DER) owner must give the interconnecting utility when it decides to cease operations. UIU points out that Section 1.2 of the interconnection agreement allows the interconnection customer to terminate the agreement on 60 days' written notice, while the stakeholders' mark up of Section 4.3 provides only a 30 day notice period. Second, UIU suggests that the Commission should examine the potential reliability issues that could arise should DERs shut down in the

future, and should establish a process for the utilities to study the impacts of retirements. UIU states that the Commission should establish a mechanism for protecting ratepayers from the potential costs of multiple units leaving the system.

LEGAL AUTHORITY

Public Service Law (PSL) §§5, 65, and 66 grant the Commission broad authority over the manufacture, conveyance, sale, or distribution of electricity, supervision of electric corporations, and the responsibility to ensure that all charges made by such corporation for any service rendered shall be just and reasonable. Additionally, the Commission has the authority to direct the treatment of DG and ESS by electric corporations.¹⁵ The Commission actions to update the SIR taken by this order fall squarely within the proper exercise of authority granted by the PSL.

DISCUSSION

Energy Storage Systems (ESS)

Comparing proposals, the Commission finds that there are no significant differences between the Staff proposal and the Stakeholder Filing regarding incorporating ESS into the SIR. The Stakeholder Filing recommendation to modify the standard interconnection contract to cover ESS facilities is accepted, with modifications. Where the Stakeholder Filing provides a meaningful clarification of the process, the Commission has accepted the changes; the Commission rejects editorial suggestions that do not improve Staff's proposed language.

¹⁵ PSL §§5(2), 66(1), 66(2), 66(3), 66-c, 66-j, and 74.

The Commission notes that the VDER Implementation Order addressed several storage-related issues. There, the Commission identified the need to define necessary technical performance and protection requirements, and determine the appropriate method for determining the nameplate capacity of a system that combines generation and storage for interconnection and compensation purposes.¹⁶ The Staff proposal identifies the ESS AC inverter/converter nameplate rating as the appropriate method for determining the nameplate capacity of a system, but limits the maximum export capacity onto the utility distribution system at 5 MW regardless of whether storage is stand-alone or paired with new or existing DG up to 5 MW.

Staff reports that the technical issues related to compensation were further discussed and resolved at the January 31, 2018 ITWG meeting.¹⁷ A three-meter configuration was presented that would accommodate the many potential combinations of hybrid ESS and DG projects proposed by developers.¹⁸ The Commission agrees that the three-meter configuration presented at the ITWG, comprised of a utility meter at both the ESS and the DG, as well as at the Point of Common Coupling, will provide the necessary data for compensation purposes and therefore approves that configuration.¹⁹

¹⁶ VDER Implementation Order, p. 40.

¹⁷ See ITWG Meeting Information and Materials available at <http://www3.dps.ny.gov/W/PSCWeb.nsf/All/DEF2BF0A236B946F85257F71006AC98E?OpenDocument>.

¹⁸ See January 31, 2018 ITWG Meeting Notes available at [http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/def2bf0a236b946f85257f71006ac98e/\\$FILE/95160166.docx/ITWG%20Mtg%20Notes%201-31-18.docx](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/def2bf0a236b946f85257f71006ac98e/$FILE/95160166.docx/ITWG%20Mtg%20Notes%201-31-18.docx).

¹⁹ Id.

To integrate hybrid DG and ESS into utility tariffs, the Joint Utilities shall file a draft tariff²⁰ within 30 days of the issuance of this order. The draft model tariff will be subjected to a notice and comment period, followed by Commission consideration of the proposed compensation methodology of a hybrid DG and ESS interconnected with the three-meter configuration approved by this order. The Joint Utilities may also include proposals for alternate hybrid DG and ESS technical configurations, as well as draft tariffs for any such alternate metering configurations. These tariffs must be consistent with the Commission's determinations in the VDER Implementation Order regarding compensation of hybrid DG and ESS.²¹

Combining Existing Projects

In the Staff proposal, section E was added to allow developers to combine certain existing project applications, up to the 5 MW cap. The Stakeholder Filing argued that these rules should be established by a separate order with an effective term of 120 business days, giving the IPWG more time to propose a permanent approach. The Commission rejects this suggestion; Staff's proposed language is presently needed to manage projects already in the queue and may apply beyond the recommended 120 business days. The Stakeholder Filing does not explain how incorporating rules to allow consolidation of certain existing project applications will harm any party.

The Commission therefore adopts Staff's proposed Section E, included in the new SIR as section F. The Commission expects the IPWG and ITWG participants to identify any project

²⁰ The Joint Utilities shall file a single joint model tariff, which each utility will modify as needed to integrate into its tariffs once approved by the Commission, subject to any modifications directed by the Commission.

²¹ VDER Implementation Order, p. 40.

consolidation issues as developers begin to combine projects up to the 5 MW limit, and to make recommendations as appropriate.

SIR Technical Screens

The Commission notes that the SIR technical screens, found in Appendix G of both the Staff filing and Exhibit A to this order, have been discussed in significant detail in many of the ITWG meetings over the last year. Aside from the preliminary screen F (Feeder Capacity) and the supplemental screen H (Voltage Flicker), participants reached consensus regarding the preliminary screens A through E and supplemental screens G through I.

Regarding screen F, the Staff's proposal included a stiffness factor²² of 25 for both calculations at the substation, and at the Point of Interconnection (POI). In comments, the Joint Utilities agree with this screen, in principle, but suggest some minor wording changes. NYSEIA, on the other hand, stated that a stiffness factor of 50 should be used at the POI instead, and that a system impedance (Z/R) multiplier should be used in the equation in an attempt to better account for project specific electrical characteristics of the proposed project. NYSEIA did not dispute applying a stiffness factor of 25 at the substation. NYSEIA also requested a review of the screen in six to 12 months to assess implementation success and suggest any needed modifications.

The Commission finds inadequate justification to adopt NYSEIA's proposal. While other areas in the electric industry such as Duke Energy Corporation and the North American Electric Reliability Corporation (NERC) have experience with the use of a stiffness factor, they do so without the additional system

²² Stiffness Factor is a feeder capacity ratio calculation of the feeder available short circuit capacity, divided by the rating of the DER.

impedance (Z/R) multiplier. Additionally, short circuit capacities already take into account system impedance; it would be redundant to include an additional system impedance multiplier in the stiffness factor calculation. Therefore, a voltage stiffness factor of 25 shall be used for screen F, as proposed in the Staff SIR filing.

The Joint Utilities and NYSEIA agree on the first part of screen H, and both agree to include a second part of screen H regarding voltage levels in compliance with industry voltage standard American National Standards Institute (ANSI) C84.1. There is, however, disagreement regarding a new third part of screen H related to rapid voltage change at either the POI or on the feeder. ITWG participants have discussed this topic in depth at multiple ITWG meetings, and developers have expressed displeasure with the test since most projects fail the test and are forced into a full Coordinated Electric System Interconnection Review (CESIR).²³ The Commission agrees with NYSEIA that the Joint Utilities' proposal unnecessarily fails most projects, contrary to the goal of applying these screens.

NYSEIA proposed a modified test related to rapid voltage change, which had been vetted through the ITWG. The only disagreement related to this modified voltage change test between the two groups was the actual percentage of change in the DG system output rating to determine the voltage change for this screen. NYSEIA recommended to use 75 percent and the Joint Utilities' recommended 80 percent. Based on solar irradiance data supplied by EPRI through the ITWG efforts, it is believed that a DG system output rating of 75 percent is sufficiently conservative to determine voltage change on solar projects in

²³ See ITWG Meeting Information and Materials available at <http://www3.dps.ny.gov/W/PSCWeb.nsf/All/DEF2BF0A236B946F85257F71006AC98E?OpenDocument>.

New York at this time. Therefore, the Commission adopts the rapid voltage change test proposed by NYSEIA as part of screen H.

Distributed generation and associated technology has rapidly improved over the last several years, and progress is not expected to slow in the coming years. It should not be expected that stakeholders will reach full and complete agreement on all matters and topics before a final decision is made. Generally, the proposed changes to the screens are necessary at this time and add value to the interconnection review and approval process by providing a clear and descriptive framework for developers and the Joint Utilities to apply. The technical screens ensure the safety and reliability of the distribution grid is maintained, while interconnecting additional DER. Given the pace of progress, NYSEIA's suggestion that the Joint Utilities continue their analysis and review of screening results, and consider if additional changes are needed at regular intervals, deserves further discussion in the ITWG. In the meantime, the Joint Utilities should begin to move forward with the updated screens, as well as begin work on Phase 2 efforts of the IOAP and implementing automation of the preliminary screens, to the extent possible.²⁴

Local Permitting Issues

Several commenters responded to the question in the Secretary's Notice regarding the alignment of the construction cost payment deadlines and local permitting process timelines. The Stakeholder Filing outlined extensive modifications intended to resolve this timing issue. Commenters advocate for extending

²⁴ See the IOAP Report and Functional Specification (September 2016) available at [http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/\\$FILE/EPRI%20Task%201%20Memo%20Report_Final%209-9-16.pdf](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/$FILE/EPRI%20Task%201%20Memo%20Report_Final%209-9-16.pdf).

the developer time allowed to make payments, but generally adhere to the existing structure of the SIR. The Commission finds that misalignment between local permitting schedules and the construction payment deadlines in the SIR may present a barrier to developers, which is addressed by the new section D approved by this order. The proposals that would extend construction cost deadlines for unspecified permitting issues are rejected. The Commission finds that the existing SIR related to local permitting moratoria sufficiently balance permitting issues developers may face with the need to advance projects through the interconnection queue. The version of the SIR approved in this order consolidates these modified provisions into a new section D, applicable to all projects whose interconnections require utility system modifications.

A related issue regarding the degree to which a utility must refund the 25 percent construction cost down-payment has been discussed at the IPWG and many parties submitted proposals to clarify utility use of these funds.²⁵ The Commission finds that the interconnecting utilities must be able to charge a reasonable administrative fee upon receipt of a down-payment, but agrees with High Peaks that any further expenditure of the construction cost down-payment is the developer's decision. Many developers do not have the local approvals needed to construct the proposed facility at this stage of the interconnection process. In recognition of the 25 percent commitment, the Commission finds that a developer should reasonably control what utility planning or initial engineering activities may be charged to the deposit. The Commission clarifies that, upon payment of the balance, developers and

²⁵ See IPWG Meeting Information and Documents available at <http://www3.dps.ny.gov/W/PSCWeb.nsf/All/0D7596DBBEF0380885257FD90048ADFA?OpenDocument>.

utilities must schedule their activities to achieve construction and interconnection milestones within the time frame contemplated by the SIR.

Insurance

The Commission accepts the Stakeholder Filing's recommendations requiring interconnected projects to maintain commercial general liability insurance. The Commission notes that no comments opposing the joint submission were received. The City's comments and concerns regarding insurance are largely addressed by the language adopted.

As DG systems become more dispersed across the distribution system and get larger in size, the Commission acknowledges the need to protect ratepayers from potential risks imposed by third-parties. Commercial general liability insurance is a well-accepted approach to risk management, and the Commission believes the consensus proposal is reasonable. The City's request for increased symmetry in the treatment of utilities and facility owners with respect to insurance requirements and reciprocal protection is overly burdensome, as the new indemnity provisions provide adequate protection for all parties.

Other Responses to Written Comments

The University of Delaware offered several noteworthy comments associated with electric vehicles and how they are covered in the SIR. At this time, electric vehicles and associated electric vehicle supply equipment (EVSE) such as mobile inverters are not covered by the SIR. To date, the IPWG and ITWG have not discussed EVSE interconnection issues in any detail.

The Commission finds that it is premature to include standardized recommendations for interconnecting EVSE in this update, but directs Staff to add this important issue to future

ITWG agendas. Staff and stakeholders should discuss and determine in what detail electric vehicles and the associated EVSE and mobile inverters shall be covered in the SIR. Furthermore, the Commission invites the University of Delaware to engage in the new proceeding, Matter of Electric Vehicle Supply Equipment and Infrastructure in Case 18-E-0138, which the is being instituted contemporaneously with this order.

The City also filed comments on several topics outside the scope of the main Commission directives that Staff's filing addressed. In response to the City's concerns surrounding the terms of IOAP use and what should happen if IOAP systems are malfunctioning or down for maintenance, the adopted SIR language includes some minor changes. The Commission notes that the Joint Utilities also acknowledged that, in such circumstances, the interconnecting utility would help applicants submit documents in a timely and efficient manner. The goal of IOAP requirements is to improve efficiency and monitoring of SIR applications; reducing the number of application stream options achieves efficiencies in processing and eases monitoring efforts. Therefore, as long as the interconnecting utility's IOAP system is operational, it shall be the only type of application submission and document sharing tool available to applicants.

Regarding potential IEAMs, the Commission agrees with the Joint Utilities reply comments. There has been incremental Commission action on these matters, which are addressed through individual utility rate cases. The City's argument for symmetrical accountability for compliance with SIR deadlines does not consider the fact that 100 percent compliance with SIR

timelines is a threshold requirement for any utility to earn an IEAM.²⁶

The Commission agrees with the City that utilities should be encouraged to coordinate with municipalities to streamline the integration of DG with utility systems. The Commission does not agree with granting the requested flexibility for municipalities at certain steps in the interconnection process where financial resources must be committed. There is nothing within the SIR preventing municipalities, developers, and interconnecting utilities from optimizing the benefits of a proposed DG. Commission direction through the VDER proceeding, the Distributed System Implementation Plans (DSIP) proceeding, and other efforts have all been to achieve the City's request of facilitating DG where it is most needed at a lower cost.²⁷

The Commission believes that the adopted SIR will allow interconnection applicants, including municipalities, to move through the SIR process in a reasonable amount of time without unnecessary burdens or barriers. While the Commission agrees with the City's goal of mitigating cost uncertainty and facilitating DG deployment where it is most efficient, we decline to grant municipal DG applicants additional time to achieve SIR milestones. The Commission encourages the City and municipalities to work closely with the interconnecting utility and the New York State Interconnection Ombudsperson so that

²⁶ Case 16-M-0429, In the Matter of Earnings Adjustment Mechanism and Scorecard Reforms Supporting the Commission's Reforming the Energy Vision, Order Directing Modifications to the Joint Utilities' Proposed Interconnection Earning Adjustment Mechanism Framework (issued March 9, 2017).

²⁷ Case 16-M-0411, In the Matter of Distributed System Implementation Plans.

municipal government procurement rules do not cause the municipal customer to lose a queue position.

Finally, the Commission agrees with UIU that it is reasonable to require a 60-day notice period prior to the permanent disconnection of a DER interconnected under the SIR. If the utility sees an adverse impact arising from a specific retirement that it cannot mitigate, that period is sufficient for the utility to raise the issue with Staff. The stakeholders' proposal for a shorter period is rejected. The question of the potential implications of the wide-spread retirement of these resources, however, is not ripe for Commission consideration at this time. Stakeholders in the IPWG and ITWG should examine the likely impacts of DER retirements in terms of system operations, planning, and economics, and recommend an approach to managing any possible adverse effects on ratepayers.

CONCLUSION

The Commission adopts Staff's proposed SIR update, with modifications, as discussed above and shown in Exhibit A. The requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1, related to newspaper publication of the tariff amendments required to effectuate this SIR update, shall be waived. The collaborative nature of Staff's filing, the ongoing ITWG and IPWG stakeholder discussion, and the opportunity for public comment provided adequate notice of the changes proposed and the timing of such changes.

These changes to incorporate ESS, streamline the interconnection process for DG up to 5 MW, combine existing smaller projects, give developers more control over the utility's construction cost down-payment expenditure, and update technical screens, all advance the Commission's goal to increase

DG penetration while maintaining a safe and reliable distribution system. Continued technological advancements and public policy objectives, such as increased deployment of EVSE, may necessitate further SIR improvements. The Commission expects the ITWG and IPWG, working with the state Ombudsperson, to identify and file such recommendations as needed.

The Commission orders:

1. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation are directed to make tariff filings to incorporate into their electric tariffs the revised Standard Interconnection Requirements set forth in Exhibit A, and to remove any inconsistent tariff provisions. These tariff amendments shall become effective on not less than one day's notice, to take effect on or before April 30, 2018.

2. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation shall jointly file a draft tariff within 30 days of the issuance of this order for compensation of a hybrid energy storage and distributed generation system interconnected with the three-meter configuration approved by this order. In this filing, the Joint Utilities may also include proposals for alternate hybrid energy storage and distributed generation technical configurations, as well as draft tariffs for any such proposed configurations.

3. The requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1, related to newspaper publication of these tariff amendments, are waived.

4. In the Secretary's sole discretion, the deadlines set forth in this order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least one day prior to the affected deadline.

5. Case 18-E-0018, In the Matter of Proposed Amendments to the New York State Standardized Interconnection Requirements (SIR) for Small Distributed Generators, shall be continued.

6. Case 15-E-0571, In the Matter of the Value of Distributed Energy Resources, shall be continued.

7. Case 15-E-0557, In the Matter of Proposed Amendments to the New York State Standardized Interconnection Requirements (SIR) for Distributed Generators 2 MW or Less, is opened for the limited purpose of issuing this order, and shall thereafter be closed.

By the Commission,

(SIGNED)

KATHLEEN H. BURGESS
Secretary

**New York State
Standardized Interconnection Requirements and Application Process
For New Distributed Generators and Energy Storage Systems 5 MW or Less
Connected in Parallel with Utility Distribution Systems**

**New York State
Public Service Commission**

April 2018

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Section I. Application Process

New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators and Energy Storage Systems 5 MW or Less Connected in Parallel with Utility Distribution Systems (“SIR”)

A. Introduction

This SIR provides a framework for processing applications to:

- interconnect new distributed generation (DG) facilities with an alternating current (AC) generator nameplate rating of 5 MW or less aggregated on the customer side of the point of common coupling (PCC);
- interconnect new energy storage system (ESS) facilities with an AC inverter/converter nameplate rating of 5 MW or less aggregated on the customer side of the PCC that may be stand-alone systems or combined with existing or new DG (Hybrid Projects), however, maximum export capacity onto the utility distribution system is capped at an AC nameplate rating or AC inverter/converter nameplate rating of 5 MW; and,
- review any modifications affecting the interface at the PCC to existing DG and/or ESS facilities with an AC nameplate rating of 5 MW or less (aggregated on the customer side of the PCC) that have been interconnected to the utility distribution system, and where an existing contract between the applicant and the utility is in place.

Distributed Generation or Energy Storage Systems neither designed to operate, nor operating, in parallel with the utility’s electrical system are not subject to these requirements. This document will ensure that applicants are aware of the technical interconnection requirements and utility interconnection policies and practices. This SIR will also provide applicants with an understanding of the process and information required to allow utilities to review and accept the applicants’ equipment for interconnection in a reasonable and expeditious manner.

The time required to complete the process will reflect the complexity of the proposed project. Projects using previously submitted designs certified per the requirements of Section II.F, Equipment Certification, will move through the process more quickly, and several steps may be satisfied with an initial application depending on the detail and completeness of the application and supporting documentation submitted by the applicant. Applicants submitting systems utilizing certified equipment however, are not exempt from providing utilities with complete design packages necessary for the utilities to verify the electrical characteristics of the generator systems, the interconnecting facilities, and the impacts of the applicants’ equipment on the utilities’ systems.

The application process and the attendant services must be offered on a non-discriminatory basis. The utilities must clearly identify their costs related to the applicants’ interconnections, specifically those costs the utilities would not have incurred but for the applicants’ interconnections. The utilities will keep a log of all applications, milestones met, and

justifications for application-specific requirements. The applicants are to be responsible for payment of the utilities' costs, as provided for herein. Any unspent project analysis/study fees shall be applied forward to any subsequent analysis applicable to a given application/project.

All application timelines shall commence the next Business Day following receipt of information from the applicant or the utility.

Staff of the Department of Public Service ("DPS Staff") will monitor the application process to ensure that applications are addressed in a timely manner. To perform this monitoring function, DPS Staff will meet periodically with utility and applicant representatives.

A glossary of terms used herein is provided in Section III.

B. Application Process Steps for Systems 50 kW or Less

Exception 1: For inverter based systems above 50 kW up to 300 kW, applicants may follow the expedited application process outlined in this section provided that the inverter based system has been certified and tested in accordance with the most recent revision of UL 1741 and its supplement A (SA), and the utility has approved the project accordingly. The utility has ten (10) Business Days upon receipt of the original application submittal to determine if the application is complete, project is eligible for the expedited process, and whether it is approved for interconnection if eligible for expedited process. The utility shall notify the applicant in writing of its findings upon review of the application. If the utility determines that the inverter based system is not eligible for the expedited application process, the applicant can:

- 1) Proceed with the remaining steps of Section I.C of the SIR (Systems above 50 kW up to 5 MW); or
- 2) request a review by DPS Staff.

Exception 2: For non-inverter based system 50 kW or less, the applicant should be aware that additional information and review time may be required by the utility (refer to Step 3). The applicant must include the items required in Step 5 of the Application Process Steps for Systems above 50 kW up to 5 MW in its original application. This exception should not be considered the rule, but used by the utility only in justified situations. Utilities are encouraged to use the expedited process whenever possible. The utility has ten (10) Business Days upon receipt of the original application submittal to determine if the application is complete, project is eligible for expedited process, and whether it is approved for interconnection if eligible for expedited process. The utility shall notify the applicant in writing of its findings upon review of the application. If the utility determines that the non-inverter based system is not eligible for the expedited application process, the applicant can:

- 1) Proceed with the remaining steps of Section I.C of the SIR (Systems above 50 kW up to 5 MW); or
- 2) Request a review by DPS Staff.

Exception 3: For all systems 50 kW or less, that are proposed to be installed in underground

secondary network areas, the applicant should be aware that additional information and review time may be required by the utility (refer to Step 3). In some cases, interconnection may not be allowed or approved. DG systems interconnected to underground secondary network systems can cause unique design issues and overall reliability problems for the utilities. For this reason, additional review and analysis may be needed on a case by case basis. The utility has ten (10) Business Days upon receipt of the original application submittal to determine if the application is complete, project is eligible for the expedited process, and whether it is approved for interconnection if eligible for expedited process. The utility shall notify the applicant in writing of its findings upon review of the application. If the utility determines that the DG system cannot be interconnected, the applicant can request a review by DPS Staff.

STEP 1: Initial Communication from the Potential Applicant

Communication could range from a general inquiry to a completed application.

STEP 2: The Inquiry is Reviewed by the Utility to Determine the Nature of the Project

Technical staff from the utility may discuss the scope of the interconnection with the potential applicant (either by phone or in person) and provide a copy of the SIR document and any utility specific technical specifications that may apply. A utility representative shall be designated to serve as the single point of contact for the applicant in coordinating the potential applicant's project with the utility.

STEP 3: Potential Applicant Files an Application

The potential applicant submits an application package in the name of the customer¹ to the utility. No application fee is required of the applicant for systems 50 kW or less. A complete application package will consist of all items detailed in Appendix F. Electronic submission of all documents via the Interconnection Online Application Portal ("IOAP") is required. The utility has ten (10) Business Days upon receipt of the original application submittal to determine if the application is complete, meets the SIR technical requirements in Section II, and/or approved for interconnection if all other requirements are met. The utility shall notify the applicant by email, fax, or other form of written communication. If the application is deemed not complete by the utility, the utility shall provide a detailed explanation of the deficiencies identified and a list of the additional information required from the applicant. Once it has received the required information, the utility shall notify the applicant of the acceptance or rejection of the application within ten (10) Business days. If the applicant fails to submit the additional information to the utility within thirty (30) Business Days following the date of the utility's written notification, the application shall be removed from the queue and no further action on the part of the utility is required.

¹ Per the Community Distributed Generation Program Order (15-E-0082), the project sponsor shall submit the interconnection application to the electric utility for approval. The sponsor may be any single entity, including the generation facility developer, an energy service company (ESCO), a municipal entity such as a town or village, a business or not-for-profit corporation, a limited liability company, a partnership, or other form of business or civic association.

The utility's notification of acceptance to the applicant shall include an executed New York State Standardized Interconnection Contract and the applicant may proceed with the proposed installation. The utility shall also indicate in its response to the applicant whether or not it plans to witness the testing and verification process in person.

An application will be placed in each utility's interconnection inventory once it is accepted as complete. If the final acceptance as set out in Step 6 below is not completed within twelve (12) months as a result of applicant inactivity, the utility has the right to notify the applicant by U.S. first class mail with delivery receipt confirmation that the applicant's project will be removed from the utility's interconnection inventory if the applicant does not respond within thirty (30) Business Days of the issue of such notification and provide a project status update and/or justification as to why the project should remain in the utility's interconnection inventory for an additional period of time.

With respect to an applicant proposing to install a system rated 25 kW or less, that is to be net-metered, if the utility determines that it is necessary to install a dedicated transformer(s) or other equipment to protect the safety and adequacy of electric service provided to other customers, the applicant shall be informed of its responsibility for the actual costs for installing the dedicated transformer(s) and other safety equipment. Appendix E sets forth the responsibility each applicant shall have with respect to the actual cost of the dedicated transformer(s) and other safety equipment.

STEP 4: System Installation

The applicant will install the DG system according to the utility accepted design and the equipment manufacturer's requirements. If there are substantive design variations from the originally accepted system diagram, a revised system diagram (and other drawings for non-inverter based systems) shall be submitted by the applicant for the utility's review and acceptance. All inverter based systems will be allowed to interconnect to the utility system for a period not to exceed two hours, for the sole purpose of ensuring proper operation of the installed equipment.

For net metered systems as defined in Section II.A.6, Metering, any modifications related to existing metering configurations to allow for net energy metering for residential, farm service and non-residential wind electric generating systems shall be completed by the utility within ten (10) Business Days of either notification to the utility that the installation has been completed or request for a verification test, whichever comes first.

STEP 5: The Applicant's Facility is Tested in Accordance with the Standardized Interconnection Requirements

Verification testing will be performed by the applicant in accordance with the written verification test procedure provided by the equipment manufacturer. If the utility requested to witness the testing and verification process in person as required in Step 3, the applicant shall provide a written letter of notification to the utility that the system installation is completed, including any applicable inspections and authorization. After receipt of notification, the verification testing will be performed within ten (10) Business Days, at a mutually agreeable

time. If the utility has opted not to witness the test, the applicant will send the utility within five (5) Business Days of completion of such tests a written notification certifying that the system has been installed and tested in compliance with the SIR, the utility-accepted design and the equipment manufacturer's instructions. The applicant's facility will be allowed to commence parallel operation upon satisfactory completion of the tests in Step 5. The applicant must have complied with, and must continue to comply with, all contractual and technical requirements.

STEP 6: Final Acceptance

Within five (5) Business Days of receiving the written notification of successful test completion from Step 5, the utility will issue to the applicant a formal letter of acceptance for interconnection. Within five (5) Business Days of the completion of the on-site verification, the utility will issue to the applicant either a formal letter of acceptance for interconnection or a detailed explanation of the deficiencies in the system.

C. Application Process Steps for Systems above 50 kW up to 5 MW

For inverter based systems above 50 kW up to 300 kW, certified and tested in accordance with the most recent revision of UL 1741 and its supplement A (SA), applicants and utilities are encouraged, but not required, to use the expedited application process (Section I.B).

Exception 1: For all systems 50 kW up to 5 MW that are proposed to be installed in underground secondary network areas, the applicant should be aware that a Coordinated Electric System Interconnection Review (CESIR) may be required by the utility, based on each utility's specific technical requirements and design considerations on a case-by-case basis. In some cases, interconnection may not be allowed or approved. DG systems interconnected to underground secondary network systems can cause unique design issues and overall reliability problems for the utilities. The utility has ten (10) Business Days upon receipt of the original application submittal to determine if the application is complete and whether it is eligible for interconnection. The utility shall notify the applicant in writing of its findings upon review of the application. If the utility determines that the DG system cannot be interconnected or requires additional information be submitted and/or additional review time is needed, the applicant can:

- (1) Work with the utility on an appropriate timeframe and approval schedule agreeable to both parties; or
- (2) request a review by DPS Staff.

STEP 1: Initial Communication from the Potential Applicant.

Communication could range from a general inquiry to a completed application.

STEP 2: The Inquiry is Reviewed by the Utility to Determine the Nature of the Project.

Technical staff from the utility may discuss the scope of the interconnection with the potential applicant (either by phone or in person) and shall provide a copy of the SIR and any utility specific technical specifications that may apply. A utility representative shall be designated to serve as the single point of contact for the applicant in coordinating the potential applicant's project with the utility. At this time the applicant may also request that a Pre-Application Report (see Appendix D herein) be provided by the utility. The applicant shall provide a non-refundable fee of \$750 with its request for completion of the Pre-Application Report. The Pre-Application Report shall be provided to the applicant within ten (10) Business Days of receipt of the form and payment of the fee. The Pre-Application Report will be non-binding and shall only provide the electrical system data and information requested that is readily available to the utility. Should the applicant formally apply to interconnect their proposed DG project within fifteen (15) Business Days of receipt of the utility's Pre-Application Report, the \$750 will be applied towards the application fee in Step 3.

STEP 3: Potential Applicant Files an Application

The potential applicant submits an application to the utility in the name of the customer.² A complete application package will consist of all items detailed in Appendix F. Electronic submission of all documents via the Interconnection Online Application Portal (IOAP) is required. If a Pre-Application Report has been provided to the customer, and an application is received by the utility within fifteen (15) Business Days of the date of issue of the Pre-Application Report, a \$750 credit will be applied towards the application fee. Otherwise, payment of a non-refundable \$750 application fee is required except that the application fee shall be refunded to net metering customer-generators unless applied toward the cost of installing a dedicated transformer(s) or other safety equipment. If the applicant proceeds with the project to completion, the application fee will be applied as a payment to the utility's total cost for interconnection, including the cost of processing the application.

The utility shall review the application to determine whether it is complete in accordance with Appendix F, and whether any additional information is required from the applicant. The utility shall notify the applicant in writing within ten (10) Business Days following receipt of the application. If the application is not complete, the utility shall provide a detailed explanation of the deficiencies and provide a list of additional information needed to the applicant. The utility shall notify the applicant by email, fax, or other form of written communication.

If the applicant fails to submit all items required by Appendix F, or to provide additional

² Per the Community Distributed Generation Program Order (15-E-0082), the project sponsor shall submit the interconnection application to the electric utility for approval. The sponsor may be any single entity, including the generation facility developer, an energy service company (ESCO), a municipal entity such as a town or village, a business or not-for-profit corporation, a limited liability company, a partnership, or other form of business or civic association.

information identified by the utility within thirty (30) Business Days following the date of the utility's notification, the application shall be deemed withdrawn and no further action on the part of the utility is required.

A completed application shall be placed in the utility's interconnection queue.

If the required documentation is presented in this step, it will allow the utility to move to Step 4 and perform the required reviews and allow the process to proceed as expeditiously as possible.

The utility will refund any advance payments for services or construction not yet completed should the applicant be removed from the utility's interconnection inventory. If the costs incurred by the utility exceed the advance payments made by the applicant prior to removal from the interconnection inventory, the applicant will receive a bill for any balance due to the utility.

STEP 4: Utility Performs Preliminary / Supplemental Screening Analysis and Develops a Cost Estimate for the Coordinated Electric System Interconnection Review (CESIR) if required

The utility shall perform a Preliminary Screening Analysis of the proposed system interconnection utilizing the technical screens A through F detailed in Appendix G. The Preliminary Analysis shall be completed and a written response detailing the results of each screen and the overall outcome of the Preliminary Analysis shall be sent to the applicant within fifteen (15) Business Days of the completion of Step 3. Depending on the results of the Preliminary Analysis and the subsequent choices of the applicant, the following process(es) will apply:

If the Preliminary Screening Analysis finds that the applicant's proposed system passes all of the relevant technical screens (i.e. screens A through F) and is in compliance with the Interconnection Requirements outlined in Section II, there are no requirements for Interconnection Facilities or Distribution Upgrades, the utility will return a signed and executed New York State Standardized Interconnection Contract to the applicant. The applicant will sign and return the contract within 15 Business Days after receipt from the utility and proceed with the interconnection process.

If the Preliminary Screening Analysis finds that the applicant's proposed system cannot pass all of the relevant technical screens (i.e. screens A through F), the utility shall provide the technical reasons, data and analysis supporting the Preliminary Analysis results in writing. The applicant shall notify the utility within ten (10) Business Days following such notification whether to (i) proceed to a Preliminary Screening Analysis results meeting, (ii) proceed to Supplemental Screening Review, (iii) proceed to a full CESIR, or (iv) withdraw the Interconnection Request. If the applicant fails to notify the utility of their decision within thirty (30) Business Days of notification of the Preliminary Screening Analysis results, the application shall be removed from the queue and no further action on the part of the utility is required.

- i. If the applicant chooses to proceed to a Preliminary Screening Analysis results meeting and modifications that obviate the need for Supplemental Screening Analysis are identified, and the applicant and the utility agree to such modifications, the utility shall return a signed and executed New York State Standardized Interconnection Contract within fifteen (15) Business Days of the Preliminary Screening Analysis results meeting if no Interconnection Facilities or Distribution Upgrades are required. The applicant will sign and return the contract within 15 Business Days after receipt from the utility and proceed with the interconnection process.

If Interconnection Facilities or Distribution Upgrades are required and agreed to, the utility shall provide the applicant with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Preliminary Screening Analysis results meeting. The applicant will pay the cost estimate as provided in Section D.

If the applicant chooses to proceed to a Preliminary Screening Analysis results meeting and modifications that obviate the need for Supplemental Analysis are not identified and agreed to, the applicant shall notify the utility within ten (10) business days of the meeting of their intention to (i) proceed to Supplemental Screening Analysis, (ii) proceed to a full CESIR, or (iii) withdraw the application. If the applicant fails to notify the utility of their decision within thirty (30) business days, the application shall be removed from the queue and no further action on the part of the utility is required.

- ii. Applicants that elect to proceed to Supplemental Screening Analysis shall provide a nonrefundable fee of \$2,500 with their response; however actual costs up to a maximum of \$5,000 will be billable to the applicant upon reconciliation of utility costs as defined in Step 11 or exit from the interconnection queue. The utility shall complete the Supplemental Analysis within twenty (20) Business Days, absent extraordinary circumstances, following authorization and receipt of the fee. If the Supplemental Analysis finds that the applicant's proposed system passes all of the relevant technical screens (i.e. screens G through I) and is in compliance with the Interconnection Requirements outlined in Section II, then there are no requirements for Interconnection Facilities or Distribution Upgrades. Thus, the utility will return a signed and executed New York State Standardized Interconnection Contract to the applicant within fifteen (15) Business Days of providing the applicant the results of the Supplemental Review. The applicant will sign and return the contract within fifteen (15) Business Days after receipt from the utility and proceed with the interconnection process.

If the Supplemental Screening Analysis finds that the applicant's proposed system cannot pass all of the relevant technical screens (i.e. screens G through I), the utility shall provide the technical reasons, data, and analysis supporting the Supplemental Analysis results in writing. The applicant shall notify the utility within ten (10) Business Days following such notification whether to (i) proceed to a Supplemental Screening Analysis results meeting, (ii) proceed to a full CESIR, or (iii) withdraw the application. If the applicant fails to notify the utility of their decision within thirty (30) Business Days of notification of the Preliminary Analysis results, the

application shall be removed from the queue and no further action on the part of the utility is required.

- i. If the applicant chooses to proceed to a Supplemental Screening Analysis results meeting and modifications that obviate the need for a CESIR are identified, and the applicant and the utility agree to such modifications, the utility shall return a signed and executed New York State Standardized Interconnection Contract within fifteen (15) Business Days of the Preliminary Analysis results meeting if no Interconnection Facilities or Distribution Upgrades are required. The applicant will sign and return the contract within 15 Business Days after receipt from the utility and proceed with the interconnection process.

If Interconnection Facilities or Distribution Upgrades are required and agreed to, the utility shall provide the applicant with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Supplemental Screening Analysis results meeting. The applicant will pay the cost estimate as provided in Section D.

- ii. If the applicant chooses to proceed to a Supplemental Review results meeting and modifications that obviate the need for CESIR are not identified and agreed to, the applicant shall notify the utility, within ten (10) business days of the meeting, of their intention to proceed to a full CESIR or withdraw the application. If the applicant fails to notify the utility of their decision within thirty (30) Business Days of notification of the Supplemental Analysis results, the application shall be removed from the queue and no further action on the part of the utility is required.
- iii. If the applicant and the utility are unable to identify or agree to modifications that enable the applicant to pass either the Initial or Supplemental Analysis or if the applicant chooses at any time in the above process to proceed directly to a CESIR, the utility shall provide the applicant with an estimate of costs associated with the completion of the CESIR within five (5) Business Days of the final notification to/from the applicant. The applicant shall notify the utility within ten (10) business days of receiving this cost estimate of their intention to proceed to a full CESIR and move on to Step 5 or to withdraw their application.

STEP 5: Applicant Commits to the Completion of the CESIR

Prior to commencement of the CESIR, the applicant shall provide the following information to the utility:

- a complete, detailed interconnection design package
- proof of site control by executing the New York State Standard Site Control Certification Form, Appendix J
- the name, phone number, and agent letter of authorization (if appropriate) of the individual(s) responsible for addressing technical and contractual questions regarding the proposed system, and
- if applicable, advance payment of the costs associated with the completion of the CESIR

The complete detailed interconnection design package shall include:

- (1) Electrical schematic drawing(s), including a site plan, reflecting the complete proposed system design which are easily interpreted and of a quality necessary for full interconnection. The drawings shall show all electrical components proposed for the installation and their connections to the existing on-site electrical system from that point to the PCC, and shall be clearly marked to distinguish between new and existing equipment. For those systems proposed to be interconnected at a system voltage of 1000 volts or greater, the drawings shall be sealed by a NYS licensed Professional Engineer.
- (2) A complete listing of all interconnection devices proposed for use at the PCC. A set of specifications for this equipment shall be provided by the applicant upon request from the utility.
- (3) The written verification test procedure provided by the equipment manufacturer, if such procedure is required by this document. For non-inverter based systems, testing equipment must be capable of measuring that protection settings operate within the appropriate times and thresholds set forth in Section II.
- (4) Three (3) copies of the following information:
 - Proposed three-line diagram of the generation system showing the interconnection of major electrical components within the system. Single line diagrams shall be acceptable for single phase installations. Proposed equipment ratings clearly need to indicate:
 - 1) Number, individual ratings, and type of units comprising the above rating;
 - 2) General high voltage bus configuration and relay functions; and
 - 3) Proposed generator step-up transformer MVA ratings, impedances, tap settings and winding voltage ratings;
 - Electrical studies as requested by the utility to demonstrate that the design is within acceptable limits, inclusive and not limited to the following: system fault, relay coordination, flicker, voltage drop, and harmonics. This shall include all relay, communication, and controller set points.

If the utility determines that the detailed interconnection design package provided by the applicant is incomplete or otherwise deficient, the utility shall notify the applicant within ten (10) Business Days and provide a detailed explanation of the deficiencies identified and a list of what is required by the applicant. Unless otherwise notified by the utility, the CESIR review period begins upon confirmed receipt and acceptance of the applicant's interconnection design package and associated fees.

If the applicant fails to provide the utility authorization to proceed, CESIR fee, and information requested within thirty (30) Business Days of the request, the application shall be removed from the queue and no further action on the part of the utility is required.

STEP 6: Utility Completes the CESIR

The CESIR will consist of two parts:

- (1) a detailed review and explanation of the impacts to the utility system associated with the interconnection of the proposed system, and
- (2) a detailed review and explanation of the proposed system's compliance with the applicable criteria set forth below.

A CESIR will be performed by the utility to determine if the proposed generation on the circuit results in any protective coordination, fault current, thermal, voltage, power quality, or equipment stress concerns.

The CESIR shall be completed within sixty (60) Business Days of receipt of the information set forth in Step 5. For systems utilizing type-tested equipment, the time required to complete the CESIR may be reduced. The utility shall complete the CESIR within sixty (60) Business Days, absent extraordinary circumstances, following authorization, receipt of the CESIR fee, and complete information set forth in Step 5. If the applicant fails to provide the utility authorization to proceed, CESIR fee and information requested within thirty (30) Business Days, the interconnection request shall be removed from the queue and no further action on the part of the utility is required.

The applicant and the utility may agree to allow up to an additional forty (40) Business Days beyond the time specified above for completion of the CESIR, provided that no other application is adversely impacted

Upon completion of the CESIR, the utility will provide the following, in writing, to the applicant:

- (1) notification of whether the proposed system meets the applicable criteria considered in the CESIR process;
- (2) utility system impacts, if any;
- (3) a description of where the proposed system is not in compliance with these requirements;
- (4) detailed description of reasoning and justification for any system upgrades and associated equipment deemed necessary for interconnection of the project;
- (5) a good faith, detailed estimate of the total cost of completion of the interconnection of the proposed system and/or a statement of cost responsibility for a dedicated transformer(s) or other required interconnection equipment, which is valid for sixty (60) Business Days.

Appendix E sets forth the responsibility each applicant shall have with respect to the actual cost of the dedicated transformer(s) and other safety equipment. Utility cost estimates provided in the CESIR shall be detailed and broken down by specific equipment requirements, material needs, labor, overhead, and any other categories or efforts incorporated in the estimate. Contingencies associated with the cost estimates shall not exceed +/- 25%.

STEP 7: Applicant Commits to Utility Construction of Utility's System Modifications

The applicant will execute the New York Standardized Interconnection Contract for interconnection and provide the utility with an advance payment of 25% of the utility's estimated costs as identified in Step 6 within the time provided in Section D. The utility is not required to procure any equipment or materials associated with the project or begin construction until full payment has been received.

STEP 8: Project Construction

The applicant and the utility shall collaborate to identify an in-service date and develop a project schedule (Appendix K). The applicant shall build the facility in accordance with the utility-accepted design and the project schedule. The utility shall commence construction/installation of system modifications in accordance with the project schedule. Utility system modifications will vary in construction time depending on the extent of work and equipment required; the schedule for this work is to be discussed and agreed upon with the applicant in Step 6.

STEP 9: The Applicant's Facility is Tested in Accordance with the Standardized Interconnection Requirements

The verification testing shall be performed by the applicant in accordance with the written test procedure(s) provided by the applicant in Step 5 and any site-specific requirements identified by the utility in Step 6. The final verification testing shall be performed within ten (10) Business Days of notification to the utility by the applicant of complete installation at a mutually agreeable time, and the utility shall be given the opportunity to witness the tests. If the utility opts not to witness the tests, the applicant shall send the utility within five (5) Business Days of completion of such testing a written notification certifying that the system has been installed and tested in compliance with the SIR, the utility accepted design, and the equipment manufacturer's instructions.

STEP 10: Interconnection

The applicant's facility will be allowed to commence parallel operation upon satisfactory completion of the tests in Step 9. In addition, the applicant must have complied with and must continue to comply with the contractual and technical requirements.

STEP 11: Final Acceptance and Utility Cost Reconciliation

If the utility witnessed the verification testing, then, within ten (10) Business Days of the completion of such testing, the utility will issue to the applicant either a formal letter of acceptance for interconnection or a detailed explanation of the deficiencies in the system. If the utility did not witness the verification testing, then, within ten (10) Business Days of receiving the written test notification from Step 9, the utility will either issue to the applicant a formal letter of acceptance for interconnection, or will request that the applicant and utility set a date and time to witness operation of the DG system. This witnessed verification testing must be completed within twenty (20) Business Days after being requested. Within ten (10) Business Days of the completion of any such witnessed testing, the utility will issue to the applicant either a formal letter of acceptance for interconnection or a detailed explanation of the deficiencies in the DG system. Within sixty (60) Business Days after issuance of the formal letter of acceptance, the utility shall prepare and submit to the applicant a final reconciliation statement of its actual costs minus the application fee and advance payments made by the applicant. Within twenty (20) Business Days after delivery of the reconciliation statement, the applicant will receive either a bill for any balance due or a reimbursement for overpayment as determined by the utility's reconciliation. The applicant may contest the reconciliation with the utility. If the utility's final reconciliation invoice states a balance due from the applicant, unless it is challenged by a formal complaint interposed by the applicant, it shall be paid to the utility within thirty (30) business days or the utility reserves the right to lock the generating system offline. If the utility's final reconciliation invoice states a reimbursement for overpayment to be paid by the utility, unless the reimbursement amount is challenged by a formal complaint interposed by the applicant, it shall be paid to the applicant within thirty (30) business days. If the applicant is not satisfied, a formal complaint may be filed with the Secretary to the Commission.

D. Payment and Construction Milestones

Applicants are responsible for payment of utility system modification cost estimates in accordance with the following rules and deadlines. All project costs will be subject to Appendix E, where applicable.

When the utility's estimated cost is \$10,000 or less, the applicant shall pay the utility 100% of the estimate within ninety (90) Business Days of receiving the cost estimate from the utility. Within fifteen (15) Business Days of receiving the payment, the utility will provide the applicant, via electronic communication, a signed New York State Standardized Interconnection Contract in the form of Appendix A and a written confirmation, on its letterhead, of the compensation rate for which the project has qualified. The applicant will sign and return the contract to the utility within fifteen (15) Business Days. If the applicant does not return the signed contract within this period, the application shall be removed from the utility's interconnection queue, and no further action on the part of the utility is required.

When the estimated cost is greater than \$10,000, the applicant will make an advance payment of 25% of the estimate to the utility within ninety (90) Business Days of receiving the cost estimate. Within fifteen (15) Business Days of receiving the applicant's payment, the utility will provide the applicant, via electronic communication, a receipt for the payment, a signed New

York State Standardized Interconnection Contract in the form of Appendix A, and a written confirmation, on its letterhead, of the compensation rate for which the project has qualified. The applicant will sign and return the contract to the utility within fifteen (15) Business Days. The applicant may request an extension of no more than fifteen (15) Business Days to return the contract. If the applicant does not return the signed contract within the time allowed, the application shall be removed from the utility's interconnection queue, and no further action on the part of the utility is required.

Within thirty (30) Business Days of receiving the 25% payment, the utility shall provide an initial construction schedule to the applicant (consistent with Appendix K).

The applicant will have one hundred and twenty (120) Business Days from when the utility confirms receipt of the 25% payment to pay the remaining 75% to the utility. The utility will provide a receipt to the applicant. Within thirty (30) Business Days of the payment, the utility will provide an updated construction schedule (consistent with Appendix K).

If the applicant does not make a payment due under this section in the time required, the application shall be removed from the utility's interconnection queue with no further action required of the utility.

If the applicant withdraws or is removed from the interconnection queue at any point after making a payment required under this section, any unspent portions of these payments will be refunded to the applicant consistent with the timelines described in Section C, Step 11.

If a local permitting moratorium prevents an applicant from meeting the above timelines, the utilities may grant affected project applicants an extension. To be granted an extension of the required timelines, the applicant must submit the New York State Standard Moratorium Attestation Form, Appendix I. Upon the applicant's payment of 25% expected upgrade costs, if applicant has received its CESIR, returned the executed Interconnection Contract, and submitted the Attestation Form to the utility, the due date for the remainder of the total upgrade payment shall be adjusted to 120 business days from the end of the moratorium. If applicable, any unused portion of the 25% payment shall be refunded if the project does not move forward after receiving an extension.

If the final acceptance as set out in Section C, Step 11 is not completed within twelve (12) months of the date the applicant returns the executed New York State Standardized Contract as a result of applicant inactivity, the utility has the right to notify the applicant by U.S. first class mail with delivery receipt confirmation that the applicant's project will be removed from the utility's interconnection queue if the applicant does not respond within thirty (30) Business Days of the issue of such notification and provide a project status update and/or justification as to why the project should remain in the utility's interconnection inventory for an additional period of time.

E. Application Process for Energy Storage Systems

Except as provided in this Section, the rules in Sections B and C shall apply to applications to: construct new Hybrid Projects; construct new stand-alone storage; add an ESS to an existing DG facility; and change the operating mode of an existing Hybrid Project or stand-alone storage facility. Whether an application will be handled under Section B or C will be determined by the sum of the AC nameplate ratings of all DG facilities and ESS facilities comprising the proposed Hybrid Project

Step 1. The Application

An applicant proposing a Hybrid Project or stand-alone ESS shall complete and submit Appendix J with Appendix F.

The owner of an existing DG facility may apply to add an ESS by submitting completed Appendix J to the utility at any time.

For all projects involving ESS, the utility shall review the application and respond within the time frames provided in Section B or C, as applicable.

Following interconnection of a Hybrid Project or a stand-alone ESS, the owner may apply to the utility to change the operating characteristics of the storage component. To initiate review, the owner shall submit completed Appendix J specifying the proposed new operating characteristics to the utility.

Step 2. Protection and Control Review

When performing screening analysis and system impact studies associated with ESS, operating characteristics including maximum export and import capacity shall be utilized, except that fault current contribution shall be evaluated based on aggregate AC nameplate rating. The utility's technical review shall determine whether the proposed facility, operating per the characteristics identified in the application (Appendix J), can be safely and reliably interconnected to the utility's distribution system. The applicant shall pay the costs for the utility's review in advance.

Once an application has been deemed complete, based on the application and proposed operating parameters, the utility will determine if a Protection and Control Review is required. The utility will notify the applicant of this determination. The applicant will have thirty (30) Business Days from the notification to pay the nonrefundable fee for the review, which shall be calculated as \$500 plus \$4/kW capped at \$3000. The utilities shall have twenty (20) Business Days to perform the review and provide the results to the applicant, including a description of any modifications to the control systems that the utility determines are necessary.

Within ten (10) Business Days of an applicant's request, the utility shall discuss the results of the Protection and Control Review. Following the discussion, the applicant will have twenty (20) Business Days to determine whether or not to accept any required modifications to the control system and take the next step in the process as defined in Section B or C, as applicable, or to withdraw the application.

For all applications relating to ESS, the utility's written report of its technical review shall include a completed Attachment I, as defined below, specifying the operating parameters studied for the proposed facility. The utility and the applicant shall discuss the listed operating parameters promptly after delivery of the study results to the applicant.

For ESS applications requiring a CESIR, the utility will provide the applicant with any additional testing procedures required in connection with the ESS, using the applicant's load management control systems to limit reverse power. The utility will provide this information with the CESIR results.

Step 3. Contract and Payment for Utility Construction Costs

An applicant proposing a Hybrid Project, stand-alone storage, or the addition of ESS to an existing DG facility shall execute the New York State Standardized Interconnection Contract for Systems including Energy Storage, and make payment to the utility for its estimated construction costs within the time required by Section D.

Each contract shall include a completed Attachment I, which shall specify the operating parameters for the interconnected ESS after consultation with the applicant.

An applicant proposing to change the operating characteristics listed in Appendix J for an existing ESS shall sign an amendment to the New York State Standard Interconnection Contract for Facilities including Energy Storage to incorporate the revised Attachment I and make payment for any utility construction costs within the time required by Section D.

F. Rules for Combining DG Applications

Distributed Generation applications that have been determined to be complete and that meet the following criteria may be combined:

- (a) the applications must be sequential in the utility's queue on both the circuit and substation bus, or non-sequential combined applications may proceed with the lower queue position;
- (b) there can be no non-SIR applications in the utility's queue between the applications that propose to aggregate;
- (c) the proposed projects must be located on the same or adjacent parcels;
- (d) both applications must be compensated at the same rate and; and
- (e) the size of the combined projects may not exceed an AC nameplate rating of 5 MW.

If none of the applications has reached the deadline for payment of 25% of the estimated utility construction costs necessary for its interconnection, the applicant(s) may ask the utility to perform a technical review of the applications as a combined project. The applicant(s) shall submit its request in writing to the utility. The utility shall cease any ongoing work on the individual applications and notify the applicant(s) within ten (10) Business Days of any additional information that is needed to perform the requested analysis and of the fee that will be charged. The utility shall apply any unspent study fees related to the individual applications to the charge for the new study. The applicant(s) shall pay the fee and provide the information sought by the utility within ten (10) Business Days of the notification. The construction cost

payment due dates for the applications that are proposed to combine will be suspended until a new due date is established pursuant to this Section.

If any of the applications proposed to be combined has made a payment for estimated utility construction costs, the applicant(s) may still submit a request to study them as a combined project as provided above. Any additional payment due dates associated with the applications shall be suspended until a new due date is established. The utility shall cease work on the individual applications and shall cancel any procurements that the applicant(s) agree should be cancelled. The applicant(s) shall bear any cost associated with such cancellations. The utility shall notify the applicant(s) of any information that is needed to perform the requested analysis and of the fee that will be charged for the study within ten (10) Business Days of receiving the request. The applicant(s) shall pay the fee and provide the information sought by the utility within ten (10) Business Days of the notification.

The utility shall have sixty (60) Business Days from receipt of the fee and the project information to perform the technical review of the combined applications. The utility's report of the results shall provide the information specified in Step 6 of Section C to the applicant(s). The applicant(s) may:

- (1) proceed to construct the combined project;
- (2) resume the interconnection of the separate applications; or
- (3) withdraw one or more of the applications.

If the applicant(s) selects option (1), payment for the full amount of the estimated utility construction costs shall be due sixty (60) Business Days after receipt of the results of the technical review. If the applicant(s) selects either option (2) or (3), full payment of the construction cost associated with the applications that are to continue to interconnect shall be due within the same time period. If the applicant(s) does not meet these deadlines, the applications shall be deemed withdrawn with no further action required by the utility.

G. Interconnection On-Line Application Portal (IOAP)

Each utility shall maintain an IOAP system to provide applicants a web-based application submittal process. Hard copy, email, and/or mailed in application will no longer be allowed or accepted unless the utility IOAP systems are down for maintenance or failure. The IOAP shall also provide applicants with updated information regarding the status of their SIR application process. The system shall be customer specific and post the real-time status of the SIR process. At a minimum, the following content shall be provided:

1. The applicant's name and project/application identification number.
2. Description of the project, including at a minimum, the project's type (energy source), size, metering, and location.
3. SIR project application status, including all the steps completed and to be completed, along with corresponding completion/deadline dates associated with each step.

- If the next action is to be taken by the utility, the expected date that action will be completed,
 - If the next action is to be taken by the applicant, what exactly is required and a contact for more information,
4. Information regarding any outstanding information request made by the utility of the applicant, and
 5. The status of all amounts paid and/or due to the utility by the applicant.

Access shall be available for the customer and their authorized agent(s), such that both can access the information. The IOAP must be private and secure from unauthorized access. Access to the IOAP shall be easily found on each electric utility's Interconnection / Distributed Generation home web page.

The IOAP application process must be consistent with the latest version of the SIR and include the ability to attach associated documentation or drawings for each project. Electronic signatures shall be accepted and approved for this process.

Section II. Interconnection Requirements

H. Design Requirements

1. Common

The generator-owner shall provide appropriate protection and control equipment, including a protective device that utilizes an automatic disconnect device that will disconnect the generation in the event that the portion of the utility system that serves the generator is de-energized for any reason or for a fault in the generator-owner's system. The generator-owner's protection and control equipment shall be capable of automatically disconnecting the generation upon detection of an islanding condition and upon detection of a utility system fault.

The type and size of the generation facility or energy storage system is based on electrical generator or inverter AC nameplate rating.

The generator-owner's protection and control scheme shall be designed to ensure that the generation remains in operation when the frequency and voltage of the utility system is within the limits specified by the required operating ranges. Upon request from the utility, the generator-owner shall provide documentation detailing compliance with the requirements set forth in this document.

The specific design of the protection, control, and grounding schemes will depend on the size and characteristics of the generator-owner's generation, as well the generator-owner's load level, in addition to the characteristics of the particular portion of the utility's system where the generator-owner is interconnecting.

The generator-owner shall have, as a minimum, an automatic disconnect device(s) sized to meet all applicable local, state, and federal codes and operated by over and under voltage and over and under frequency protection. For three-phase installations, the over and under voltage function should be included for each phase and the over and under frequency protection on at least one phase. All phases of a generator or inverter interface shall disconnect for voltage or frequency trip conditions sensed by the protective devices. Voltage protection shall be wired phase to ground for single phase installations and for applications using wye grounded-wye grounded service transformers.

The settings below are listed for single-phase and three-phase applications using wye grounded- wye grounded service transformers or wye grounded-wye grounded isolation transformers. For applications using other transformer connections, a site-specific review will be performed by the utility and the revised settings identified in Step 6 of the Application Process.

The requirements set forth in this document are intended to be consistent with those contained in the most current version of IEEE Std 1547, Standard for Interconnecting Distributed Resources with Electric Power Systems. The requirements in IEEE Std 1547 above and beyond those

contained in this document shall be followed and any other Standards included in or referenced to in IEEE Std 1547 shall be adhered to.

Voltage Response

The required operating range for the generators shall be from 88% to 110% of nominal voltage magnitude. In addition, the generator shall not cause the system voltage at the PCC to deviate from a range of 95% to 105% of the utility system voltage. For excursions outside these limits the protective device shall automatically initiate a disconnect sequence from the utility system as detailed in the most current version of IEEE Std 1547. Clearing time is defined as the time the range is initially exceeded until the generator-owner's equipment ceases to energize the PCC and includes detection and intentional time delay. Other static or dynamic voltage functionalities shall be permitted as agreed upon by the utility and generator-owner.

Frequency Response

The required operating range for the generators shall be from 59.3 Hz to 60.5 Hz. If deemed necessary due to abnormal system conditions the utility may request that the generator operate at frequency ranges below 59.3 Hz in coordination with the load shedding schemes of the utility system. For excursions outside these limits the protective device shall automatically initiate a disconnect sequence from the utility system as detailed in the most current version of IEEE Std 1547. Clearing time is defined as the time the range is initially exceeded until the generator-owner's equipment ceases to energize the PCC and includes detection and intentional time delay. Other static or dynamic frequency functionalities shall be permitted as agreed upon by the utility and generator-owner.

Reconnection to the Utility System

If the generation facility is disconnected as a result of the operation of a protective device, the generator-owner's equipment shall remain disconnected until the utility's service voltage and frequency have recovered to acceptable voltage and frequency limits as defined in the most current version of IEEE Std 1547 for a minimum of five (5) minutes. Systems greater than 25 kW that do not utilize inverter based interface equipment shall not have automatic recloser capability unless otherwise approved by the utility. If the utility determines that a facility must receive permission to reconnect, then any automatic reclosing functions must be disabled and verified to be disabled during verification testing.

2. Synchronous Generators

Synchronous generation shall require synchronizing facilities. These shall include automatic synchronizing equipment or manual synchronizing with relay supervision, voltage regulator, and power factor control.

For all synchronous generators sufficient reactive power capability shall be provided by the generator-owner to withstand normal voltage changes on the utility's system. The generator voltage VAR schedule, voltage regulator, and transformer ratio settings shall be jointly

determined by the utility and the generator-owner to ensure proper coordination of voltages and regulator action. Generator-owners shall have synchronous generator reactive power capability to withstand voltage changes up to 5% of the base voltage levels.

A voltage regulator must be provided and be capable of maintaining the generator voltage under steady state conditions within plus or minus 1.5% of any set point and within an operating range of plus or minus 5% of the rated voltage of the generator.

Generator-owners shall adopt one of the following grounding methods for synchronous generators interconnected to effectively grounded circuits:

- a) Solid grounding
- b) High- or low-resistance grounding
- c) High- or low-reactance grounding
- d) Ground fault neutralizer grounding

Synchronous generators shall not be permitted to connect to utility secondary network systems without the acceptance of the utility.

3. Induction Generators

Induction generation may be connected and brought up to synchronous speed (as an induction motor) if it can be demonstrated that the initial voltage drop measured at the PCC is acceptable based on current inrush limits. The same requirements also apply to induction generation connected at or near synchronous speed because a voltage dip is present due to an inrush of magnetizing current. The generator-owner shall submit the expected number of starts per specific time period and maximum starting kVA draw data to the utility.

Starting or rapid load fluctuations on induction generators can adversely impact the utility's system voltage. Corrective step-switched capacitors or other techniques may be necessary. These measures can, in turn, cause ferroresonance. If these measures are installed on the customer's side of the PCC, the utility will review these measures and may require the customer to install additional equipment.

4. Inverters

Direct current generation can only be installed in parallel with the utility's system using a synchronous inverter. The design shall be such as to disconnect this synchronous inverter upon a utility system event. Inverters intended to provide local grid support during system events that result in voltage and/or frequency excursions as described in Section II.A.1 shall be provided with the required onboard functionality to allow for the equipment to remain online for the duration of the event.

It is recommended that equipment be selected from the Department of Public Service "Certified Interconnection Equipment list" maintained on the Commission's website. Interconnected DG systems utilizing equipment not found in such list must meet all functional requirements of the current version of IEEE Std 1547 and be protected by utility grade relays

(as defined in these requirements) using settings approved by the utility and verified in the field. The field verification test must demonstrate that the equipment meets the voltage and frequency requirements detailed in this section.

Synchronization or re-synchronization of an inverter to the utility system shall not result in a voltage deviation that exceeds the requirements contained in Section II.E, Power Quality. Only inverters designed to operate in parallel with the utility system shall be utilized for that purpose.

5. Minimum Protective Function Requirements

Protective system requirements for distributed generation facilities result from an assessment of many factors, including but not limited to:

- Type and size of the distributed generation facility
- Voltage level of the interconnection
- Location of the distributed generation facility on the circuit
- Distribution transformer
- Distribution system configuration
- Available fault current
- Load that can remain connected to the distributed generation facility under isolated conditions
- Amount of existing distributed generation on the local distribution system.

As a result, protection requirements cannot be standardized according to any single criteria. Minimum protective function requirements shall be as detailed in the table below. Function numbers, as detailed in the latest version of ANSI C37.2, are listed with each function. All voltage, frequency, and clearing time set points shall be field adjustable.

Synchronous Generators	Induction Generators	Inverters
Over/Under Voltage (Function 27/59)	Over/Under Voltage (Function 27/59)	Over/Under Voltage (Function 27/59)
Over/Under Frequency (Function 81O/81U)	Over/Under Frequency (Function 81O/81U)	Over/Under Frequency (Function 81O/81U)
Anti-Islanding Protection	Anti-Islanding Protection	Anti-Islanding Protection
Overcurrent (Function 50P/50G/51P/51G)	Overcurrent (Function 50P/50G/51P/51G)	Overcurrent (Function 50P/50G/51P/51G)

For energy storage systems or distributed generation where net export is limited, Reverse Power (Function 32) shall be required.

The need for additional protective functions shall be determined by the utility on a case- by- case basis. If the utility determines a need for additional functions, it shall notify the generator- owner in writing of the requirements. The notice shall include a description of the specific

aspects of the utility system that necessitate the addition, and an explicit justification for the necessity of the enhanced capability. The utility shall specify and provide settings for those functions that the utility designates as being required to satisfy protection practices. Any protective equipment or setting specified by the utility shall not be changed or modified at any time by the generator- owner without written consent from the utility.

The generator-owner shall be responsible for ongoing compliance with all applicable local, state, and federal codes and standardized interconnection requirements as they pertain to the interconnection of the generating equipment. Protective devices shall utilize their own current transformers and potential transformers and not share electrical equipment associated with utility revenue metering.

A failure of the generator-owner's protective devices, including loss of control power, shall open the automatic disconnect device, thus disconnecting the generation from the utility system. A generator-owner's protection equipment shall utilize a non-volatile memory design such that a loss of internal or external control power, including batteries, will not cause a loss of interconnection protection functions or loss of protection set points.

All interface protection and control equipment shall operate as specified independent of the calendar date.

For monitoring and control of new DG projects, the most current version of the Monitoring and Control Criteria shall be employed by the utilities to evaluate the need for such equipment. The Monitoring and Control Criteria document was developed and agreed to through a collaborative process as part of the Interconnection Technical Working Group (ITWG). This document can be found on the Department of Public Service website (www.dps.ny.gov) at the Distributed Generation/Interconnections tab under Interconnection Technical Working Group Information. The communications hardware, protocols, and data models must comply with utility standards.

6. Metering

Metering requirements shall be determined by the configuration of the DER system. New metering or modifications to existing metering will be reviewed on a case-by-case basis and shall be consistent with metering requirements adopted by the Commission.

Any incremental metering costs are included in interconnection costs that may be required of an applicant.

The following table summarizes the applicable New York Net Metering Rules:

New York (PSL §66-1) - Net Metering*			
Incentive Type:	Net Metering Rules		
Eligible Renewable/Other Technologies:	Wind		
Applicable Sectors:	Residential	Non-Residential	Farm-Service Wind
Limit on System Size:	25 kW	Up to 2 MW	500 kW
Remote Net Metering	No**	Yes	Yes
Limit on Overall Enrollment:	.3% of 2005 Demand per IOU		

* Refer to specific utility tariff leaves for more detailed rules and regulations applicable to net metering wind electric generating systems.

** Residential customers who own or operate a farm operation as defined by Agriculture and Markets Law §301(11) and locate solar photovoltaic, micro-hydroelectric, wind, or fuel cells on property owned or leased by the customer are also eligible for remote net metering.

I. Operating Requirements

The generator-owner shall provide a 24-hour telephone contact. This contact will be used by the utility to arrange access for repairs, inspection, or emergencies. The utility will make such arrangements (except for emergencies) during normal business hours.

Voltage and frequency trip set point adjustments shall be accessible to service personnel only.

Any changes to these settings must be reviewed and approved by the utility.

The generator-owner shall not supply power to the utility during any outages of the utility system that serves the PCC. The generator-owner's generation may be operated during such outages only with an open tie to the utility. Islanding will not be permitted. The generator-owner shall not energize a de-energized utility circuit for any reason.

Energy storage systems cannot disconnect to self-generate if their operating characteristics require their stored energy to be discharged at that time. All control systems must be password

protected from modification by the interconnection customer and property owner following Interconnection.

The disconnect switch specified for system size larger than 25 kW and non-inverter based systems of 25 kW or less in Section II.D, Disconnect Switch, may be opened by the utility at any time for any of the following reasons:

- a. to eliminate conditions that constitute a potential hazard to utility personnel or the general public;
- b. pre-emergency or emergency conditions on the utility system;
- c. a hazardous condition is revealed by a utility inspection; protective device tampering; or,
- d. parallel operation prior to utility approval to interconnect.

The disconnect switch may be opened by the utility for the following reasons, after notice to the responsible party has been delivered and a reasonable time to correct (consistent with the conditions) has elapsed:

- a. A generator-owner has failed to make available records of verification tests and maintenance of its protective devices;
- b. A generator-owner's system adversely impacts the operation of utility equipment or equipment belonging to other utility customers; or,
- c. A generator-owner's system is found to adversely affect the quality of service to adjoining customers.

The utility will provide a name and telephone number so that the generator-owner can obtain information about the utility lock-out.

The generator-owner shall be allowed to disconnect from the utility without prior notice to self-generate.

If a generator-owner proposes any modification to the system that has an impact on the interface at the PCC after it has been installed and a contract between the utility and the generator-owner has already been executed, then any such modifications must be reviewed and approved by the utility before the modifications are made.

J. Dedicated Transformer

The utility reserves the right to require a power-producing facility to connect to the utility system through a dedicated transformer. The transformer shall either be provided by the connecting utility at the generator-owner's expense, purchased from the utility, or conform to the connecting utility's specifications. The transformer that is part of the normal electrical service connection of a generator-owner's facility may meet this requirement if there are no other customers supplied from it. A dedicated transformer is not required if the installation is

designed and coordinated with the utility to protect the utility system and its customers adequately from potential detrimental net effects caused by the operation of the generator.

If the utility determines a need for a dedicated transformer, it shall notify the generator-owner in writing of the requirements. The notice shall include a description of the specific aspects of the utility system that necessitate the addition, the conditions under which the dedicated transformer is expected to enhance safety or prevent detrimental effects, and the expected response of a normal, shared transformer installation to such conditions. Disconnect Switch

Generating equipment with system size larger than 25 kW and non-inverter based systems of 25 kW or less shall be capable of being isolated from the utility system by means of an external, manual, visible, gang-operated, load break disconnecting switch. The disconnect switch shall be installed, owned, and maintained by the customer-generator, and located between the generating equipment and its interconnection point with the utility system.

The disconnect switch must be rated for the voltage and current requirements of the installation.

The basic insulation level (BIL) of the disconnect switch shall be such that it will coordinate with that of the utility's equipment. Disconnect devices shall meet applicable requirements of the most current revision of UL, ANSI, and IEEE standards, and shall be installed to meet all applicable local, state, and federal codes. (New York City Building Code may require additional certification.)

The disconnect switch shall be clearly marked, "Generator Disconnect Switch," with permanent 3/8 inch or larger letters.

The customer-generator will propose, and the utility will approve, the location of the disconnect switch. The location and nature of the disconnect switch shall be indicated in the immediate proximity of the electric service entrance. The disconnect switch shall be readily accessible for operation and locking by utility personnel in accordance with Section II.B, Operating Requirements. The disconnect switch must be lockable in the open position with a 3/8" shank utility padlock.

For installations above 600V or with a full load output of greater than 960A, a draw-out type circuit breaker with the provision for padlocking at the draw-out position will not be an acceptable disconnect switch for the purposes of this requirement unless the use of such a circuit breaker is specifically granted by the utility, based on site-specific technical requirements. If the utility grants such use, the generator-owner will be required, upon the utility's request, to provide qualified operating personnel to open the draw-out circuit breaker and ensure isolation of the DG system, with such operation to be witnessed by the utility followed immediately by the utility locking the device to prevent re-energization. In an emergency or outage situation, where there is no access to the draw-out breaker or no qualified personnel, utilities may disconnect the electric service to the premise in order to isolate the DG system.

K. Power Quality

The requirements for acceptable flicker levels shall be in accordance with the latest version of IEEE Std 1453 Recommended Practice for the Analysis of Fluctuating Installations on Power Systems. Short and long-term perception of flicker shall be within the planning and compatibility levels delineated in this standard. Mitigation measures necessary to comply with these requirements shall be at the generator-owner's expense. Power Factor

If the average power factor, as measured at the PCC, is less than 0.9 (leading or lagging), the method of power factor correction necessitated by the installation of the generator will be negotiated with the utility as a commercial item. If the average power factor of the generator is proven to be above the minimum of 0.9 (leading or lagging) by the customer and accepted by the utility, that power factor value shall be used for any further utility design calculations and requirements.

Induction power generators may be provided VAR capacity from the utility system at the generator-owner's expense. The installation of VAR correction equipment by the generator-owner on the generator-owner's side of the PCC must be reviewed and approved by the utility prior to installation.

L. Islanding

Systems must be designed and operated so that islanding is not sustained on utility distribution circuits or on substation bus and transmission systems. The requirements listed in this document are designed and intended to prevent islanding. Special protection schemes and system modifications may be necessary based on the capacity of the proposed system and the configuration and existing loading on the subject circuit.

For inverter based systems, evaluation of the need for special measures to prevent unintentional islanding on radial distribution systems should be based on best practices related to the most current version of the Unintentional Islanding Protection Practice Connected to the Distribution System. This document can be found on the Department of Public Service website (www.dps.ny.gov) at the Distributed Generation/Interconnections tab under Interconnection Technical Working Group Information.

The need for zero sequence voltage (3Vo) and direct transfer trip (DTT) protection schemes shall be evaluated based on minimum loads on the associated feeder and substation bus, including certain fault conditions resulting from system installation to protect for an islanded condition.

M. Equipment Certification

In order for the equipment to be acceptable for interconnection to the utility system without additional protective devices, the interface equipment must be equipped with the minimum protective function requirements listed in the table in Section II.A.5 and be tested by a Nationally Recognized Testing Laboratory (NRTL) recognized by the United States

Occupational Safety and Health Administration (OSHA) in compliance with the most current revision of UL 1741 and its supplement SA.

For each interconnection application, documentation including the proposed equipment certification, stating compliance with UL 1741 and its supplement SA by an NRTL, shall be provided by the applicant to the utility. Supporting information from an NRTL website or UL's website stating compliance is acceptable for documentation.

If an equipment manufacturer, vendor, or any other party desires, documentation indicating compliance as stated above may be submitted to the Department of Public Service for listing under the certified equipment list on the Department of Public Service website (www.dps.ny.gov) at the Distributed Generation/Interconnections tab.

Certification information for equipment tested and certified to the most current revision of UL 1741 and its supplement SA by a non-NRTL shall be provided by the manufacturer, or vendor, to the contacts listed on the Department of Public Service website for review before final acceptance and posting under the certified equipment list. Utilities are not responsible for reviewing and approving equipment tested and certified by a non-NRTL.

If equipment is UL 1741 and its supplement SA certified by an NRTL and compliance documentation is submitted to the utility, the utility shall accept such equipment for interconnection in New York State. All equipment certified to the most current revision of UL 1741 and its supplement SA by an NRTL shall be deemed 'certified equipment' even if it does not appear on the Commission's website under the Certified Equipment list.

Utility grade relays need not be certified per the requirements of this section.

For DG systems that are already interconnected with the utility's electrical system and seek to use the New York State Standardized Interconnection Requirements and Application Process in order to qualify for net metering, no DG system will be required to obtain recertification the latest equipment certification standards, as long as the DG system met the equipment certification requirements by the utility in effect at the time of the DG unit's interconnection.

N. Verification Testing

All interface equipment must include a verification test procedure as part of the documentation presented to the utility. Except for the case of small single-phase inverters as discussed later, the verification test must establish that the protection settings meet the SIR requirements. The verification testing may be site-specific and is performed periodically to assure continued acceptable performance.

Upon initial parallel operation of a generating system, or any time interface hardware or software is changed, the verification test must be performed. A qualified individual must perform verification testing in accordance with the manufacturer's published test procedure. Qualified individuals include professional engineers, factory-trained and certified technicians, and licensed electricians with experience in testing protective equipment. The utility reserves the right to witness verification testing or require written certification that the testing was successfully performed.

Verification testing shall be performed at least once every four years. All verification tests prescribed by the manufacturer shall be performed. If wires must be removed to perform certain tests, each wire and each terminal must be clearly and permanently marked. The generator-owner shall maintain verification test reports for inspection by the utility.

Single-phase inverters and inverter systems rated 25 kW and below shall be verified upon initial parallel operation and once every four years as follows: the generator-owner shall interrupt the utility source and verify that the equipment automatically disconnects and does not reconnect for at least five minutes after the utility source is reconnected. The owner shall maintain a log of these operations for inspection by the connecting utility. Any system that depends upon a battery for trip power shall be checked and logged at least annually for proper voltage. Once every four (4) years the battery must be either replaced or a discharge test performed.

O. Interconnection Inventory

The utilities will manage the queue of interconnection applications in their inventories in the order in which they are received and according to the timelines set forth in this document.

To ensure applications are addressed in a timely manner and monitor the overall interconnection activities, utilities shall submit an SIR inventory of projects monthly to the Public Service Commission by the 15th day of the following month. Therefore, 12 interconnection inventory submissions shall be provided each year by each of the electric utilities. Utilities shall provide DPS Staff with redacted and unredacted versions of its interconnection inventory, including the current queue, for the associated time period in Excel format. At a minimum, the following information shall be provided in the inventory:

1. Utility Name
2. Applicant Name
3. Developer
4. Application No.
5. Circuit ID
6. Substation
7. System Type
8. System Capacity
9. Metering Configuration
10. Protective Equipment
11. Application Review Start and End date
12. Preliminary Screening Analysis Start and End date
13. CESIR Start and End date
14. CESIR Costs
15. Utility CESIR Costs
16. Customer CESIR Costs
17. Utility System Upgrade Costs
18. Customer System Upgrade Costs
19. Verification Testing date
20. Final Letter of Acceptance date

Section III. Glossary of Terms

Automatic Disconnect Device: An electronic or mechanical switch used to isolate a circuit or piece of equipment from a source of power without the need for human intervention.

Business Day: Monday through Friday, excluding utility holidays.

Cease to Energize: Cessation of energy flow capability.

Coordinated Electric System Interconnection Review: Any studies performed by utilities to ensure that the safety and reliability of the electric grid with respect to the interconnection of distributed generation as discussed in this document.

Dedicated Transformer: A transformer installed by the utility to isolate a DG system.

Direct Transfer Trip: Remote operation of a circuit breaker by means of a communication channel.

Disconnect (verb): To isolate a circuit or equipment from a source of power. If isolation is accomplished with a solid-state device, "Disconnect" shall mean to cease the transfer of power.

Disconnect Switch: A mechanical device used for isolating a circuit or equipment from a source of power.

Distributed Energy Resources (DER): Energy sources that consist of distributed generation facilities or energy storage systems or any combination thereof.

Distributed Generation (DG): Generation facilities supplementing on-site load or non-centralized electric power production facilities interconnected at the distribution side of an electric power system.

Draw-out Type Circuit Breaker: Circuit breakers that are disconnected by physically separating, or racking, the breaker assembly away from the switchgear bus.

Electric Power System (EPS): Refers to the electric power system owned, controlled, and/or operated by the utility and used to provide transmission and/or distribution services to its customers.

Energy Storage System (ESS): A commercially-available mechanical, electrical or electro-chemical means to store and release electrical energy, and its associated electrical inversion device and control functions that may stand-alone or be paired with a distributed generator at a point of common coupling.

Generator-Owner: An applicant to operate on-site power generation equipment in parallel with the utility grid per the requirements of this document.

Hybrid Project: A facility that operates, or is planned to operate, as a distributed generator paired with an energy storage system at a point of common coupling.

Islanding: A condition in which a portion of the utility system that contains both load and distributed generation is isolated from the remainder of the utility system (Adopted from IEEE Std 929.).

Maximum Export: The maximum export capacity of an Energy Storage System to the distribution grid at the PCC communicated by the Applicant and studied as such by the utility per their review of the impacts on the utility system based on the operating characteristic of the Energy Storage System.

Maximum Import: The maximum import capacity of an Energy Storage System from the distribution grid at the PCC communicated by the Applicant and studied as such by the utility per their review of the impacts on the utility system based on the operating characteristic of the Energy Storage System.

Point of Common Coupling (PCC): The point at which the interconnection between the electric utility and the customer interface occurs. Typically, this is the customer side of the utility revenue meter.

Preliminary Review: A review of the generator-owner's proposed system capacity, location on the utility system, system characteristics, and general system regulation to determine if the interconnection is viable.

Protective Device: A device that continuously monitors a designated parameter related to the operation of the generation system that operates if preset limits are exceeded.

Required Operating Range: The range of magnitudes of the utility system voltage or frequency where the generator-owner's equipment, if operating, is required to remain in operation for the purposes of compliance with UL 1741. Excursions outside these ranges must result in the automatic disconnection of the generation within the prescribed time limits.

Safety Equipment: Includes dedicated transformers or equipment and facilities to protect the safety and adequacy of electric service provided to other customers.

Stand-Alone Storage: An energy storage system that is solely connected to a point of common coupling and not paired with a distributed generator.

Utility Grade Relay: A relay that is constructed to comply with, as a minimum, the most current version of the following standards for non-nuclear facilities:

<u>Standard</u>	<u>Conditions Covered</u>
ANSI/IEEE C37.90	Usual Service Condition Ratings - <ul style="list-style-type: none"> • Current and Voltage Maximum design for all relay AC and DC auxiliary relays • Make and carry ratings for tripping contacts Tripping contacts duty cycle • Dielectric tests by manufacturer • Dielectric tests by user
ANSI/IEEE C37.90.1	Surge Withstand Capability (SWC) Fast Transient
Test IEEE C37.90.2	Radio Frequency Interference
ANSI C37.2	Electric Power System Device Function
Numbers IEC 255-21-1	Vibration
IEC 255-22-2	Electrostatic Discharge
IEC 255-5	Insulation (Impulse Voltage Withstand)

Verification Test: A test performed upon initial installation and repeated periodically to determine that there is continued acceptable performance.

Wind, Net Meter, Residential Applicant: A residential applicant who is proposing to install a wind electric generating system, not to exceed a combined rated capacity of 25 kW, located and used at the applicant's primary residence, per the requirements of New York State Public Service Law §66-1.

Wind, Net Meter, Non-Residential Applicant: A non-residential applicant who is proposing to install a wind electric generating system located and used at the applicant's premises, not to exceed 2 MW, pursuant to New York State Public Service Law §66-1.

Wind, Net Meter, Farm Applicant: A farm applicant who is proposing to install a wind electric generating system, not to exceed a combined rated capacity of 500 kW, located and used at the applicant's primary residence, per the requirements of New York State Public Service Law §66-1.

APPENDIX A

**NEW YORK STATE STANDARDIZED CONTRACT
FOR INTERCONNECTION OF NEW DISTRIBUTED GENERATION UNITS
AND/OR ENERGY STORAGE SYSTEMS WITH CAPACITY OF 5 MW OR LESS
CONNECTED IN PARALLEL WITH
UTILITY DISTRIBUTION SYSTEMS**

Interconnection Customer Information:

Utility Information:

Name:

Name:

Address:

Address:

Telephone:

Telephone:

Fax:

Fax:

Email:

Email:

Unit Application/File No.:

Utility Account Number:

DEFINITIONS

Delivery Service means the services the Utility may provide to deliver capacity or energy generated by the Interconnection Customer to a buyer to a delivery point(s), including related ancillary services.

Energy Storage System (ESS) means a commercially available mechanical, electrical, or electro-chemical means to store and release electrical energy, and its associated electrical inversion device and control functions that may be stand-alone or paired with a distributed generator at a point of common coupling.

Interconnection Customer means the owner of the Unit.

Interconnection Facilities means the equipment and facilities on the Utility's system necessary to permit operation of the Unit in parallel with the Utility's system.

Premises means the real property where the Unit is located.

SIR means the New York State Standardized Interconnection Requirements for new distributed generation units with a nameplate capacity of 5 MW or less connected in parallel with the Utility's distribution system.

Unit means the distributed generation, stand-alone ESS, or combined generation and ESS facilities approved by the Utility for operation in parallel with the Utility's system. This Agreement relates only to such Unit, but a new agreement shall not be required if the Interconnection Customer makes physical alterations to the Unit that do not result in an increase in its nameplate generating capacity. The nameplate generating capacity or inverter/converter rating of the Unit shall not exceed 5 MW.

Utility means [insert legal name of the interconnecting utility].

I. TERM AND TERMINATION

1.1 Term: This Agreement shall become effective when executed by both Parties and shall continue in effect until terminated.

1.2 Termination: This Agreement may be terminated as follows:

- a. The Interconnection Customer may terminate this Agreement at any time, by giving the Utility sixty (60) days' written notice.
- b. Failure by the Interconnection Customer to seek final acceptance by the Utility within twelve (12) months after completion of the utility construction process described in the SIR shall automatically terminate this Agreement.
- c. Either Party may, by giving the other Party at least sixty (60) days' prior written notice, terminate this Agreement in the event that the other Party is in default of any of the material terms and conditions of this Agreement. The terminating Party shall specify in the notice the basis for the termination and shall provide a reasonable opportunity to cure the default.
- d. The Utility may, by giving the Interconnection Customer at least sixty (60) days' prior written notice, terminate this Agreement for cause. The Interconnection Customer's non-compliance with an upgrade to the SIR, unless the Interconnection Customer's installation is "grandfathered," shall constitute good cause.

1.3 Disconnection and Survival of Obligations: Upon termination of this Agreement the Unit will be disconnected from the Utility's electric system. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

1.4 Suspension: This Agreement will be suspended during any period in which the Interconnection Customer is not eligible for Delivery Service from the Utility

II. SCOPE OF AGREEMENT

2.1 Scope of Agreement: This Agreement relates solely to the conditions under which the Utility and the Interconnection Customer agree that the Unit may be interconnected to and operated in parallel with the Utility's system.

2.2 Electricity Not Covered: The Utility shall have no duty under this Agreement to account for, pay for, deliver, or return in kind any electricity produced by the Facility and delivered into the Utility's System unless the system is net metered as described in Public Service Law Section 66-1.

III. INSTALLATION, OPERATION AND MAINTENANCE OF UNIT

3.1 Compliance with SIR: Subject to the provisions of this Agreement, the Utility shall be required to interconnect the Unit to the Utility's system, for purposes of parallel operation, if the Utility accepts the Unit as in compliance with the SIR. The Interconnection Customer shall have a continuing obligation to maintain and operate the Unit in compliance with the SIR.

3.2 Observation of the Unit - Construction Phase: The Utility may, in its discretion and upon reasonable notice, perform reasonable on-site verifications during the construction of the Unit. Whenever the Utility chooses to exercise its right to perform observations herein it shall specify to the Interconnection Customer its reasons for its decision to perform the observation. For purposes of this paragraph and paragraphs 3.3 through 3.5, the term "on-site verification" shall not include testing of the Unit, and verification tests shall not be required except as provided in paragraphs

3.3 Observation of the Unit - Ten-day Period: The Utility may perform on-site verifications of the Unit and observe the execution of verification testing within a reasonable period of time, not exceeding ten (10) business days after system installation. The Unit will be allowed to commence parallel operation upon satisfactory completion of the verification test. The Interconnection Customer must have complied with and must continue to comply with all contractual and technical requirements.

3.4 Observation of the Unit - Post-Ten-day Period: If the Utility does not perform an on-site verification of the Unit and observe the execution of verification testing within the ten-day period, the Interconnection Customer will send the Utility within five (5) days of the verification testing a written notification certifying that the Unit has been installed and tested in compliance with the SIR, the utility-accepted design and the equipment manufacturer's instructions. The Interconnection Customer may begin to produce energy upon satisfactory completion of the verification test. After receiving the verification test notification, the Utility will either issue to the Interconnection Customer a formal letter of acceptance for interconnection, or may request that the applicant and utility set a date and time to perform an on-site verification of the Unit and make reasonable inquiries of the Interconnection Customer, but only for purposes of determining whether the verification tests were properly performed. The Interconnection Customer shall not be required to perform the verification tests a second time, unless irregularities appear in the verification test report or there are other objective indications that the tests were not properly performed in the first instance.

3.5 Observation of the Unit - Operations: The Utility may perform on-site verification of the operations of the Unit after it commences operations if the Utility has a reasonable basis for doing so based on its responsibility to provide continuous and reliable utility service or as authorized by the provisions of the Utility's Retail Electric Tariff relating to the verification of Interconnection Customer installations generally.

3.6 Costs of Interconnection Facilities: During the term of this Agreement, the Utility shall design, construct and install the Interconnection Facilities. The Interconnection Customer shall

be responsible for paying the incremental capital cost of such Interconnection Facilities attributable to the Interconnection Customer's Unit. All costs associated with the operation and maintenance of the Dedicated Facilities after the Unit first produces energy shall be the responsibility of the Utility.

IV. DISCONNECTION OF THE UNIT

4.1 Emergency Disconnection: The Utility may disconnect the Unit, without prior notice to the Interconnection Customer (a) to eliminate conditions that constitute a potential hazard to Utility personnel or the general public; (b) if pre-emergency or emergency conditions exist on the Utility system; (c) if a hazardous condition relating to the Unit is observed by a Utility inspection; or (d) if the Interconnection Customer has tampered with any protective device. The Utility shall notify the Interconnection Customer of the emergency if circumstances permit. The Interconnection Customer shall notify the Utility promptly when it becomes aware of an emergency condition that affects the Unit that may reasonably be expected to affect the Utility EPS.

4.2 Non-Emergency Disconnection Due to Unit Performance: The Utility may disconnect the Unit, after notice to the responsible party has been provided and a reasonable time to correct, consistent with the conditions, has elapsed, if (a) the Interconnection Customer has failed to make available records of verification tests and maintenance of his protective devices; (b) the Unit system interferes with Utility equipment or equipment belonging to other customers of the Utility; (c) the Unit adversely affects the quality of service of adjoining customers; (d) the ESS does not operate in compliance with the operating parameters and limits described in Attachment 1 to this Agreement.

4.3 Non-Emergency Disconnection for Utility Work: The Utility may disconnect the Unit after notice to Interconnection Customer when necessary for routine maintenance, construction, and repairs on the Utility EPS. The Interconnection Customer may request to reconnect its service prior to the completion of the Utility's work. The Utility shall accommodate such requests, provided that the Interconnection Customer shall be responsible for the costs of the Utility's review and any system modifications required to reconnect the Unit ahead of schedule.

4.4 Disconnection by Interconnection Customer: The Interconnection Customer may disconnect a Unit with an AC nameplate rating above 300 kW upon 18 hours advance notice to the Utility if the planned shutdown will last 8 hours or more. For non-emergency forced outages lasting 8 hours or more, the Interconnection Customer shall notify the Utility within 24 hours of the commencement of the shutdown

4.5 Utility Obligation to Cure Adverse Effect: If, after the Interconnection Customer meets all interconnection requirements, the operations of the Utility are adversely affecting the performance of the Unit or the Customer's premises, the Utility shall immediately take appropriate action to eliminate the adverse effect. If the Utility determines that it needs to upgrade or reconfigure its system, the Interconnection Customer will not be responsible for

the cost of new or additional equipment beyond the point of common coupling between the Interconnection Customer and the Utility.

V. ACCESS

5.1 Access to Premises: The Utility shall have access to the disconnect switch of the Unit at all times. At reasonable hours and upon reasonable notice consistent with Section III of this Agreement, or at any time without notice in the event of an emergency (as defined in paragraph 4.1), the Utility shall have access to the Premises.

5.2 Utility and Interconnection Customer Representatives: The Utility shall designate, and shall provide to the Interconnection Customer, the name and telephone number of a representative or representatives who can be reached at all times to allow the Interconnection Customer to report an emergency and obtain the assistance of the Utility. For the purpose of allowing access to the premises, the Interconnection Customer shall provide the Utility with the name and telephone number of a person who is responsible for providing access to the Premises.

5.3 Utility Right to Access Utility-Owned Facilities and Equipment: If necessary for the purposes of this Agreement, the Interconnection Customer shall allow the Utility access to the Utility's equipment and facilities located on the Premises. To the extent that the Interconnection Customer does not own all or any part of the property on which the Utility is required to locate its equipment or facilities to serve the Interconnection Customer under this Agreement, the Interconnection Customer shall secure and provide in favor of the Utility the necessary rights to obtain access to such equipment or facilities, including easements if the circumstances so require.

VI. DISPUTE RESOLUTION

6.1 Good Faith Resolution of Disputes: Each Party agrees to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.

6.2 Mediation: If a dispute arises under this Agreement, and if it cannot be resolved by the Parties within ten (10) business days after written notice of the dispute, the parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict prevention & Resolution Procedure, or to mediation by a mediator provided by the New York Public Service Commission. The Parties agree to participate in good faith in the mediation for a period of up to 90 days. If the Parties are not successful in resolving their disputes through mediation, then the parties may refer the dispute for resolution to the New York Public Service Commission, which shall maintain continuing jurisdiction over this Agreement.

6.3 Escrow: If there are amounts in dispute of more than two thousand dollars (\$2,000), the Interconnection Customer shall either place such disputed amounts into an independent escrow account pending final resolution of the dispute in question, or provide to the Utility an appropriate irrevocable standby letter of credit in lieu thereof.

VII. INSURANCE

7.1. Commercial General Liability: The Interconnection Customer shall, at its own expense, procure and maintain throughout the period of this Agreement the following minimum insurance coverage:

- 7.1.1.** Commercial general liability insurance with limits not less than:
 - 7.1.1.1.** Five million dollars (\$5,000,000) for each occurrence and in the aggregate if the AC Nameplate rating of the Interconnection Customer's Facility is greater than five (5) MWAC;
 - 7.1.1.2.** Two million dollars (\$2,000,000) for each occurrence and five million dollars (\$5,000,000) in the aggregate if the AC Nameplate rating of the Interconnection Customer's Facility is greater than one (1) MWAC and less than or equal to five (5) MWAC;
 - 7.1.1.3.** One million dollars (\$1,000,000) for each occurrence and in the aggregate if the AC Nameplate rating of the Interconnection Customer's Facility is greater than or equal to 300 (kWAC) and less than or equal to one (1) MWAC
- 7.1.2.** Any combination of general liability and umbrella/excess liability policy limits can be used to satisfy the limit requirements of Section 7.1.1 (a).
- 7.1.3.** The general liability insurance required to be purchased in Section 7.1 (a) may be purchased for the direct benefit of the Utility and shall respond to third party claims asserted against the Utility (hereinafter known as "Owners Protective Liability"). Should this option be chosen, the requirement of Section 7.3(a) will not apply but the Owners Protective Liability policy will be purchased for the direct benefit of the Utility and the Utility will be designated as the primary and "Named Insured" under the policy.

7.2. General Commercial Liability Insurance: The Interconnection Customer is not required to provide general commercial liability insurance for facilities with an AC nameplate rating of 300 kW or less. Due to the risk of incurring damages however, the New York State Public Service Commission ("Commission") recommends that the Interconnection Customer obtain adequate insurance. The inability of the Utility to require the Interconnection Customer to provide general commercial liability insurance coverage for operation of the Unit is not a waiver of any rights the Utility may have to pursue remedies at law against the Interconnection Customer to recover damages

7.3. Insurer Requirements and Endorsements: All required insurance shall be written by reputable insurers authorized to conduct business in New York. In addition, all general liability insurance shall, (a) include the Utility as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that the Utility shall not incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days' written notice to the Utility prior to cancellation or termination of such

insurance, with the exception of a ten (10) days' notice in the event of premium non-payment; provided that to the extent the Interconnection Customer is satisfying the requirements of subpart (d) of this paragraph by means of a presently existing insurance policy, the Interconnection Customer shall only be required to make good faith efforts to satisfy that requirement and will assume the responsibility for notifying the Utility as required above.

7.4. Evidence of Insurance: Evidence of the insurance required shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by Interconnecting Customer. Prior to the Utility commencing work on System Modifications, and annually thereafter, the Interconnection Customer shall have its insurer furnish to the Utility certificates of insurance evidencing the insurance coverage required above.

7.4.1 If coverage is on a claims-made basis, the Interconnection Customer agrees that the policy effective date or retroactive date shall be no later than the effective date of this agreement, be continuously maintained throughout the life of this agreement, and remain in place for a minimum of three (3) years following the termination of this agreement or if policies are terminated will purchase a three-year extended reporting period. Evidence of such coverage will be provided on an annual basis.

7.4.2 In the event that an Owners Protective Liability policy is provided, the original policy shall be provided to the Utility.

7.5. Self-Insurance: If the Interconnection Customer has a self-insurance program established in accordance with commercially acceptable risk management practices, the Interconnection Customer may comply with the following in lieu of the above requirements as reasonably approved by the Utility:

7.5.1. The Interconnection Customer shall provide to the Utility, at least thirty (30) calendar days prior to the Date of Initial Operation, evidence of such program to self-insure to a level of coverage equivalent to that required.

7.5.2. If the Interconnection Customer ceases to self-insure to the standards required hereunder, or if the Interconnection Customer is unable to provide continuing evidence of the Interconnection Customer's financial ability to self-insure, the Interconnection Customer agrees to promptly obtain the coverage required under Section 7.1.

7.6. Utility Obligation to Maintain Insurance: The Utility agrees to maintain general liability insurance or self-insurance consistent with its existing commercial practice. Such insurance or self-insurance shall not exclude coverage for the Utility's liabilities undertaken pursuant to this Agreement.

7.7. Notification Obligations: The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of such insurance, whether or not such coverage is sought.

VIII. LIMITATION OF LIABILITY

8.1 Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever. Nothing herein is meant to limit the liability of a Party to an unaffiliated third-party claimant.

IX. INDEMNITY

9.1 This provision protects each Party from liability incurred to third parties arising from actions taken pursuant to the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Section 7.

9.2 Each Party (the "Indemnifying Party") shall at all times indemnify, defend, and hold the other Party (the "Indemnified Party") harmless from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, to the extent arising out of or resulting from the Indemnifying Party's action or failure to meet its obligations under this Agreement, except in cases of negligence, gross negligence or intentional wrongdoing by the Indemnified Party.

9.3 If a Party is obligated to indemnify and hold the Indemnified Party harmless under this section, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual loss, as adjudicated by the Indemnifying Party's insurance carrier, net of any insurance or other recovery.

9.4 Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this section may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any unintentional failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

X. CONSEQUENTIAL DAMAGES

10.1 Other than as expressly provided for in this Agreement or pursuant to the utility tariff, neither Party shall be liable to the other Party under any provision of this Agreement for any losses, damages, costs, or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

XI. MISCELLANEOUS PROVISIONS

8.1 Beneficiaries: This Agreement is intended solely for the benefit of the Parties hereto, and if a Party is an agent, its principal. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any other person.

8.2 Severability: If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion or provision shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.

8.3 Entire Agreement: This Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements or understandings, whether verbal or written.

8.4 Waiver: No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any agreement or covenant herein shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

8.5 Applicable Law: This Agreement shall be governed by and construed in accordance with the law of the State of New York.

8.6 Amendments: This Agreement shall not be amended unless the amendment is in writing and signed by the Utility and the Customer.

8.7 Force Majeure: For purposes of this Agreement, "Force Majeure Event" means any event: (a) that is beyond the reasonable control of the affected Party; and (b) that the affected Party is unable to prevent or provide against by exercising reasonable diligence, including the following events or circumstances, but only to the extent they satisfy the preceding requirements: acts of war, public disorder, insurrection, or rebellion; floods, hurricanes, earthquakes, lightning, storms, and other natural calamities; explosions or fires; strikes, work stoppages, or labor disputes; embargoes; and sabotage. If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, such Party will promptly notify the other Party in writing, and will keep the other Party informed on a continuing basis of the scope and duration of the Force Majeure Event. The affected Party will specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the affected Party is taking to mitigate the effects of the event on its performance. The affected Party will be entitled to suspend or modify its performance of obligations under this Agreement, other than the obligation to make payments then due or becoming due under this Agreement, but only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of reasonable efforts. The affected Party will use reasonable efforts to resume its performance as soon as possible.

8.8 Assignment to Corporate Party: At any time during the term, the Interconnection Customer may assign this Agreement to a corporation or other entity with limited liability, provided that the Interconnection Customer obtains the consent of the Utility. Such consent will not be withheld unless the Utility can demonstrate that the corporate entity is not reasonably capable of performing the obligations of the assigning Interconnection Customer under this Agreement.

8.9 Assignment to Individuals: At any time during the term, the Interconnection Customer may assign this Agreement to another person, other than a corporation or other entity with limited liability, provided that the assignee is the owner, lessee, or is otherwise responsible for the Unit.

8.10 Permits and Approvals: Interconnection Customer shall obtain all environmental and other permits lawfully required by governmental authorities prior to the construction and for the operation of the Unit during the term of this Agreement.

8.11 Limitation of Liability: Neither by inspection, if any, or non-rejection, nor in any other way, does the Utility give any warranty, express or implied, as to the adequacy, safety, or other characteristics of any structures, equipment, wires, appliances or devices owned, installed or maintained by the Interconnection Customer or leased by the Interconnection Customer from third parties, including without limitation the Unit and any structures, equipment, wires, appliances or devices appurtenant thereto.

ACCEPTED AND AGREED:

Interconnection Customer

Signature:

Printed Name:

Title:

Date:

Utility Signature:

Printed Name:

Title:

Date:

**NEW YORK STATE STANDARDIZED CONTRACT
FOR INTERCONNECTION OF DISTRIBUTED GENERATION UNITS THAT
INCLUDE ENERGY STORAGE SYSTEMS**

ATTACHMENT 1

APPENDIX B

**NEW YORK STATE STANDARDIZED APPLICATION FOR
INTERCONNECTION OF INVERTER BASED PARALLEL
GENERATION EQUIPMENT TO THE ELECTRIC SYSTEM OF**

Utility:

Customer:

Name: Phone: ())

Address: Fax: ())

Email:

Municipality:

Utility Account No.: Utility Meter No.:

Agent (if any):

Name: Phone: ())

Address: Fax: ())

Email:

Consulting Engineer or Contractor:

Name: Phone: ())

Address: Fax: ())

Email:

Existing Electric Service:

Capacity: _____ Amperes

Voltage: _____ Volts

Service Character: Single Phase Three Phase

Location of Protective Interface Equipment on Property:

(Include address if different from customer address.)

Energy Producing Inverter Information:

Total AC Nameplate Rating of All Inverters:

Inverter

Inverter or System Tested to UL 1741 (most current version):

Yes No *If no, attach product literature.*

Manufacturer:

Model:

Quantity:

Rating per inverter: _____ kW

Type: Forced Commutated Line Commutated

Utility Interactive Stand Alone

Rated Output: _____ Amperes _____ Volts

Ramp Rate:

Method of Grounding: Grounded Ungrounded

Quantity of Inverters:

If there is more than one inverter of different types of manufacturers, please provide information on a separate sheet.

If applicable:

Step Up Transformer Winding Configuration:

Wye-Wye Wye-Delta Delta-Wye

Other existing DG such as emergency generators, other renewable technologies, microturbines, hydro, fuel cells, battery storage, etc:

Yes No

If yes, provide information about existing generation on separate sheet and include detail on one-line diagram.

Signature:

_____	_____	_____
CUSTOMER/AGENT SIGNATURE	TITLE	DATE

APPENDIX C

**NEW YORK STATE STANDARDIZED APPLICATION
FOR INTERCONNECTION OF NON-INVERTER BASED PARALLEL
GENERATION EQUIPMENT TO THE ELECTRIC SYSTEM OF**

Utility:

Customer:

Name: Phone: ())

Address: Fax: ())

Email:

Municipality:

Utility Account No.:

Utility Meter No.:

Agent (if any):

Name: Phone: ())

Address: Fax: ())

Email:

Consulting Engineer or Contractor:

Name: Phone: ())

Address: Fax: ())

Email:

Estimated In-Service Date:

Existing Electric Service:

Capacity: _____ Amperes

Voltage: _____ Volts

Service Character: () Single Phase () Three Phase

Secondary 3 Phase Transformer Connection: () Wye () Delta

Location of Protective Interface Equipment on Property:

(Include address if different from customer address.)

Energy Producing Inverter Information:

Manufacturer:

Model No.:

Version No.:

() Synchronous () Induction () Other

Rating: _____ kW

Rating: _____ kVA

Rated Output: _____ VA

Rated Voltage: _____ Volts

Rated Frequency: _____ Hz

Rated Speed: _____ RPM

Efficiency: _____ %

Power Factor: _____ %

Rated Current: _____ Amps

Locked Rotor Current: _____ Amps

Synchronous Speed: _____ RPM

Winding Connection:

Min. Operating Freq./Time:

Generator Connection: Delta Wye Wye Grounded

System Tested to UL 1741 (most current version) (Total System):

Yes No *If no, attach product literature.*

Equipment Tested to UL 1741 (most current version) (i.e., Protection System):

Yes No *If no, attach product literature.*

Three Line Diagram attached: Yes

Verification Test Plan attached: Yes

If applicable, Certification to UL 1741 attached: Yes

For Synchronous Machines:

Submit copies of the Saturation Curve and the Vee Curve

() Salient () Non-Salient

Torque: _____ lb-ft

Rated RPM:

Field Amperes: _____ at rated generator voltage and current

and _____ % PF over-excited

Type of Exciter:

Output Power of Exciter:

Type of Voltage Regulator:

Direct-axis Synchronous Reactance (X_d): _____ ohms

Direct-axis Transient Reactance (X'_d): _____ ohms

Direct-axis Sub-transient Reactance (X''_d): _____ ohms

For Induction Machines:

Rotor Resistance (R_r): _____ ohms Exciting Current: _____ Amps

Rotor Reactance (X_r): _____ ohms Reactive Power Required:

Magnetizing Reactance (X_m): _____ ohms, _____ VARs (No Load)

Stator Resistance (R_s): _____ ohms, _____ VARs (Full Load)

Stator Reactance (X_s): _____ ohms

Short Circuit Reactance (X''_d): _____ ohms,

Phases: () Single Phase () Three Phase

Frame Size: _____ Design Letter: _____

Temp. Rise: _____ °C

Step Up Transformer Winding Configuration:

() Wye-Wye () Wye-Delta () Delta-Wye

Signature:

CUSTOMER/AGENT SIGNATURE TITLE DATE

APPENDIX D**PRE-APPLICATION REPORT FOR THE CONNECTION OF PARALLEL GENERATION EQUIPMENT TO THE UTILITY DISTRIBUTION SYSTEM**

Utility:

DG Project Information: (Provided to Utility by Applicant)
Customer name
Location of Project: (Address and/or GPS Coordinates)
DG technology type
DG fuel source / configuration
Proposed project size in kW (AC)
Date of Pre-Application Request
Pre-Application Report: (Provided to Applicant by Utility – 10 Business Days)
Operating voltage of closest distribution line
Phasing at site
Approximate distance to 3-Phase (if only 1 or 2 phases nearby)
Circuit capacity (MW)
Fault current availability, if readily obtained
Circuit peak load for the previous calendar year
Circuit minimum load for the previous calendar year
Approximate distance (miles) between serving substation and project site
Number of substation banks
Total substation bank capacity (MW)
Total substation peak load (MW)
Aggregate existing distributed generation on the circuit (kW)
Aggregate queued distributed generation on the circuit (kW)

APPENDIX E

COST SHARING FOR SYSTEM MODIFICATIONS & COST RESPONSIBILITY FOR DEDICATED TRANSFORMER(S) AND OTHER SAFETY EQUIPMENT FOR NET METERED CUSTOMERS

Generator Type	Generator Size	Equipment Cost to Residential Net Metered	Equipment Cost to Non-Residential Net Metered Customers
Wind **	Less than or equal to 25 kW	\$750 maximum	\$750 maximum
Wind	Over 25 kW up to 2 MW	N/A	As determined by Utility*
Farm Wind ***	Over 25 kW up to 500 kW	N/A	\$5,000 maximum***

The first project triggering an eligible upgrade will initially bear 100% of the cost, while subsequent projects benefitting from those upgrades will reimburse the first project developer. The share of the costs paid by subsequent developers shall be calculated by the utility as the ratio of the total upgrade cost to the total AC watts the upgrade serves. If a third project uses the upgrade, the utility will perform a new calculation based on the new number of total watts served; the third project will pay its share and the utility will divide the third project's contribution among the first two projects. Sharing continues according to this formula until the capacity of the upgrade is used up or the net costs to the participating projects falls to \$100,000 or lower, whichever comes first. The utilities shall administer the allocation process and track the payments among contributing projects. The utilities are authorized to collect a \$750 fee from applicants for processing each reimbursement. The Equipment Upgrade Cost Sharing Requirement is limited in several ways. First, cost sharing only applies to substation 3V0 protection, substation transformer upgrades, and other substation-level shared upgrades. Second, only those upgrades that cost in excess of \$250,000 are subject to sharing. Third, projects below 200 kW AC in size are not required to participate.

* Subject to review by the Commission at the request of the Customer. Such costs can include the total costs for upgrades to ensure the adequacy of the distribution system which would not have been necessary but for the interconnection of the net metered DG resource (as per PSL §66-1(3)(c)(iii)).

** Residential and Non-Residential Wind Customers with a total rated capacity up to 25 kW, Farm Wind may be required to also pay for feeder line upgrades that would not be required but for the interconnection of the net metered DG resource. Residential and Non-Residential Wind, and Farm Wind Customers are responsible for all feeder line upgrade costs if the total nameplate rating of the generating equipment exceeds 20% of the rated capacity of the feeder line (as per PSL §66-1(5)(c)(ii)). Farm Wind Customers are responsible for 50% of feeder line upgrade costs if the total nameplate rating of the generating equipment does not exceed 20% of the rated capacity of the feeder line (as per PSL §66-1(2)).

*** For Farm Wind projects with a total nameplate rating of the generation equipment that does not exceed 20% of the rated capacity of the local feeder line to which the project will connect, that portion of the CESIR costs related to transformers or other equipment installed at the customer's site is included in the \$5,000 limitation; however, the customer is also responsible for 50% of the CESIR costs related to feeder line upgrades. Farm Wind projects with a total nameplate rating of the generation equipment that does exceed 20% of the rated capacity of the local feeder line to which the project will connect, CESIR costs related to transformers or other equipment installed at the customer's site is included in the \$5,000 limitation; however, Farm Wind customers are responsible for the CESIR costs related to feeder line upgrades.

APPENDIX F**APPLICATION PACKAGE CHECKLIST**

Completed standard application form	√
New York State Standardized Acknowledgement of Property Owner Consent Form – For Systems above 50 kW up to 5 MW Only – Refer to Appendix H for form	√
Signed copy of the standard contract	√
Letter of authorization, signed by the Customer, to provide for the contractor to act as the customer's agent, if necessary	√
If requesting a new service, a site plan with the proposed interconnection point identified by a Google Earth, Bing Maps or similar satellite image. For those projects on existing services, account and meter numbers shall be provided	√
Description / Narrative of the project and site proposed. If multiple DG systems are being proposed at the same site/location, this information needs to be identified and explained in detail.	√
DG technology type	√
DG fuel source / configuration	√
Proposed project size in AC kW	√
Project is net metered, remote, or community net metered	√
Metering configuration	√
Copy of the certificate of compliance referencing UL 1741	√
Copy of the manufacturer's data sheet for the interface equipment	√
Copy of the manufacturer's verification test procedures, if required	√
System Diagram - A three-line diagram for designs proposed on three phase systems, including detailed information on the wiring configuration at the PCC and an exact representation of existing utility service. One-line diagrams shall be acceptable for single phase installations	√

APPENDIX G

PRELIMINARY SCREENING

All Preliminary Screens (A-F) shall be completed by the utility and results shall be provided to the applicant in accordance with Section C, Step 4.

Screen A: Is the PCC on a Networked Secondary System?

Does the proposed system connect to a secondary network system?

Screen B: Is Certified Equipment Used?

Does the applicant propose to use equipment that has been listed to meet UL 1741 (Inverters, Converters and Charge Controllers for Use in Independent Power Systems) and for inverter based equipment, UL 1741 and its supplement SA, by a nationally recognized testing laboratory?

Screen C: Is the Electric Power System (EPS) Rating Exceeded?

Does the maximum aggregated generation or loading capacity connected to an EPS (existing and approved prior to application) exceed any EPS ratings (modified per established utility practice)?

Screen D: Is the Line and Grounding Configuration Compatible with the Interconnection Type?

Identify primary distribution line configuration that will serve the distributed generation or energy storage. Based on the DER interconnection and using the table below, determine compatibility with the electric power service, including, phase balance, line and grounding configuration. The following table shall be used to determine risk for ineffective grounding

Primary distribution line configuration	Type of DER connection to primary	Result/Criteria
Three-phase, three-wire	3Any type	Pass Screen
Three-phase, four-wire >5 kV	Single-phase line-to-neutral	Pass Screen
All Three-phase, four-wire (For any line that has sections or mixed three-wire and four-wire)	All others	Fail To pass, aggregate DER nameplate rating must be less than or equal to 10% of line-section peak load

Based on aggregate DG on the feeder, is phase balancing maintained within utility limits?

Screen E: Simplified Penetration Test

If the aggregate DER capacity on any medium voltage line section (existing and approved prior to application) is less than 15% of the annual peak load for all line sections bounded by automatic sectionalizing devices upstream of the DER?

Screen F: Is Feeder Capacity Adequate for Individual and Aggregate DER?

Is the feeder available short circuit capacity at the medium voltage PCC, divided by the rating of the individual DER, greater than 25? Is the feeder available short circuit capacity at the substation divided by the capacity all aggregate DG on the feeder, greater than 25?

SUPPLEMENTAL SCREENING ANALYSIS

All Supplemental Screens (G-I) shall be completed by the utility and results shall be provided to the applicant in accordance with Section C, Step 4.

Screen G: Supplemental Penetration Test

Where 12 months of line section minimum load data are available, can be calculated, can be estimated from existing data, or determined from a power flow model, is the aggregate DER capacity on the Line Section less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the DER? Note the calculation of minimum load should consider both generation and charging modes of DER when energy storage is involved. Both generation and load limits need to be considered.

Screen H: Voltage Flicker Test

Can it be determined that the voltage fluctuation is within acceptable limits as defined by IEEE 1453

1. Voltage flicker emission generated by each fluctuating installation (P_{st}) should be limited to its emission limit (E_{pst}).

Calculate P_{st} using the following formula:

$$P_{st} = d \times \frac{F}{d_{pst=1}} = \frac{\Delta S}{S_{SC}} \times \frac{0.2}{2.56\%}$$

- $d \sim \left(\frac{\Delta S}{S_{SC}} \right)$ is the relative voltage change caused by the project
 - ΔS is the power variation from the project
 - S_{sc} is the available short-circuit capacity of area EPS at the PCC
 - F is the shape factor related to the shape of expected voltage fluctuation F can be considered equal to 0.2 if detailed information is not available)
 - $d_{pst=1}$ is the relative voltage change that yield P_{st} value of unity assuming rectangular voltage fluctuation (2.56% assuming 1 dip per second)
2. Can it be determined within the Supplemental Review that aggregate DER does not cause voltage excursion outside of ANSI C84.1 Range A?
 3. Can it be determined that an aggregate DER voltage fluctuation of 75% does not result in a voltage change of greater than half the bandwidth of any voltage regulating device on the associated feeder.

A P_{st} greater than 0.35 as calculated in Step 1 or no to the determination in Steps 2 and 3 constitutes failure of this screen.

**Screen I: Operating Limits, Protection Adequacy and
Coordination Evaluation**

1. Review anti-islanding protection requirements based on the most recent version of the JU Unintentional Islanding Protection Practice and identify utility and DER system upgrades, if required.
2. Review DER system configuration to determine if design and operation meets utility's effective grounding and ground source contribution requirements.
3. Identify equipment where fault current exceeds 90% of its short circuit current interrupting capability.
4. Identify any additional concerns related to utility and DER protection adequacy and protection, including but not limited to: protective device coordination and coverage, load rejection overvoltage, and 3V0 protection (where applicable).

APPENDIX H
New York State Standardized Acknowledgment of Property Owner Consent Form

Interconnecting Utility: _____

Utility Project Number (if available): _____

(Note: This Acknowledgment is to be signed by the owner of the property where the proposed distributed generation facility and interconnection will be placed, when the owner or operator of the proposed distributed generation facility is not also the owner of the property, and the property owner’s electric facilities will not be involved in the interconnection of the distributed generation facility.)

This Acknowledgment is executed by _____,
(the “Property Owner”; as used herein the term shall include the Property Owner’s successors in interest to the Property), as owner of the real property situated in the City/Town of _____, _____ County, New York, known as _____ [street address] (the “Property”), at the request of _____ [name of Developer] (the “Developer”; as used herein the term shall include the Developer’s successors and assigns).

This Acknowledgment does not grant or convey any interest in the Property to the Developer.

1. The Property Owner certifies as of the date indicated below that the Property Owner is working exclusively with the Developer on a proposal to install a distributed generation facility (the “Facility”) on the Property.

OR

2. The Property Owner certifies as of the date indicated below that the Developer has executed with the Property Owner one of the following: a signed option agreement to lease or purchase the Property, an executed Property lease, or an executed purchase agreement for the Property granting the Developer a right to use the Property for purposes of installing the Facility.

Property Owner:

Developer:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

APPENDIX I
New York State Standard Moratorium Attestation Form

[UTILITY COMPANY NAME]

[UTILITY DEPT. NAME AND CONTACT NAME]

[UTILITY STREET ADDRESS]

[CITY/TOWN, New York [ZIP CODE]]

Re:	DEVELOPER	[name]
		[contact information]
	PROJECT	[utility ID number]
	PROPERTY	[street address]
		[municipality/county]
		[city/town and zip code]

_____ [DEVELOPER NAME] hereby attests that it will notify the
interconnecting utility identified above of the date that the moratorium on solar development in
_____ [MUNICIPALITY NAME] is lifted.

By signing below, Developer confirms that this attestation is true and correct.

By: _____

Printed Name: _____

Title: _____

APPENDIX J**Energy Storage System (ESS) Application Requirements /
System Operating Characteristics / Market Participation****Application Requirements:**

- a. Provide a general overview / description and associated scope of work for the proposed project. Is the new ESS project associated with a new or existing DG facility?
- b. Identify whether this is a Stand-Alone or Hybrid ESS proposal.
- c. Indicate the type of Energy Storage (ES) technology to be used. For example, NaS, Dry Cell, PB-acid, Li-ion, vanadium flow, etc.
- d. Indicate how the ESS will be charged and/or act as a load: (1) Electrical Grid Only, (2) Unrestricted charging from Electrical Grid and/or DG system, (3) Restricted charging from Electrical Grid and/or DG Systems, or (4) charging from DG only.
- e. If the intended use case for the ES includes behind-the-meter backup services, please provide a description and documentation illustrating how the entire system disconnects from utility during an outage (e.g. mechanical or electronic, coordination, etc.).
- f. Provide the data sheet for the battery portion of the energy storage equipment. including the model, capacity (kWh), and manufacturer
- g. Provide specification data/rating sheets including the manufacturer, model, and nameplate ratings (kW) of the inverter(s)/converters(s) for the energy storage and/or DG system.
- h. Indicate any impacts of ambient temperatures on charging and discharging capabilities, specifically noting any restrictions on available capacity as a function of temperature and listed on the system facility's nameplate.
- i. Provide details on cycling (anticipated maximum cycles before replacement), depth of discharge restrictions, and overall expected lifetime regarding the energy storage components.
- j. Provide proposed inverter(s) power factor operating range and whether inverter(s) are single quadrant, two-quadrant, or four-quadrant operation.
- k. Provide specification data/rating sheets including the manufacturer, model, and nameplate ratings (kW) of the inverter(s)/converters(s) for the energy storage and/or DG system.
- l. Provide details on whether the inverter(s)/converter(s) have any intrinsic grid support functions, such as autonomous or interactive voltage and frequency support. If they do, please describe these functions and default settings.
- m. Indicate whether the ES and DG system inverter(s)/converter(s) are DC-coupled or AC-coupled.
- n. Indicate whether the system inverter(s)/converter(s) is/are listed on the NY DPS "Certified Interconnection Equipment List"
 - a. If the interconnected inverter(s)/converter(s) are not listed on the "Certified

- Interconnection Equipment List” but are certified, provide a copy of the certificate of compliance.
- b. If the interconnected inverter(s)/converter(s) are not listed on the “Certified Interconnection Equipment List, or the storage and paired DG are AC coupled, please detail the use of control systems such as utility grade relays including AC and DC control schematics and relay logic.
 - c. If the interconnected inverter(s)/converter(s) are not listed on the “Certified Interconnection Equipment List”, please detail the verification of protection operation in equivalent deployments of the equipment configuration. For example, if this exact configuration has been previously deployed, please describe the project and reference the commissioning/test report.
 - d. Identify if inverter analytical models are available for use in the utility’s power flow analysis program, and if there are any restrictions on their use.
 - o. Indicate whether the interconnected inverters inverter(s)/converter(s) is/are compliant to the latest versions of the following additional standards. If partially compliant to subsections of the latest standards, please list those subsections:
 1. IEEE 1547a
 2. UL 1741 and its supplement SA
 - p. If the interconnected inverter(s)/converters are not compliant with the previously listed additional standards, please describe show utility grade protection, relay and controls are implemented between your hardware and the utility.
 - q. Detail any integrated protection that is included in the interconnected inverter(s)/converters. For example, describing over/under-voltage/current frequency behavior and reconnection behavior would comply, such as solid state transfer switching or other.

System Operating Characteristics:

- a. Identify the maximum nameplate rating in kW ac for each source (storage, any paired inverter-based distributed generation).
- b. Identify the maximum net export and import of the Hybrid or Stand-Alone system in kW ac
- c. Indicate the maximum ramp rates during charging and discharging.
- d. Indicate the maximum frequency of change of operating modes (i.e. charging to discharging and vice-versa) that will be allowed based upon control system configurations
- e. Indicate any specific and/or additional operational limitations that will be imposed (e.g. will not charge between 2-7pm on weekdays).
- f. Provide a summary of protection and control scheme functionality and provide details of any integrated protection of control schematics and default settings within controllers.
- g. Provide descriptions of any software functionality that enables intelligent charging and discharging of the ESS using interconnected DG, such as PV. For example, if the ESS can be charged only through the DG input, or if the ESS can be switched to be charged from the line input, provide those details in a sequence of operations. Provide details on grounding of the interconnected energy storage and/or DG system to meet utility effective grounding requirements.
- h. Provide short circuit current capabilities and harmonic output from the Hybrid Project or

- stand-alone storage system
- i. Provide details on standard communication hardware interfaces that are available, e.g., TCP/IP, serial, etc.
 - j. Provide details on standard communication protocols that are available, e.g., MODBUS, DNP-3, 2030.5, etc.
 - k. Provide details on standard communication data models that are available, e.g., 61850-90-7, SunSpec, MESA, etc.

Market Participation:

- a. Will the system operate in the NYISO markets? If yes, please specify.
- b. Will the system be compensated under a utility tariff(s)? If yes, please specify.

The market participation information is non-binding; however, the operating characteristics as defined above will be used for technical study.

Date:

APPENDIX K
Project Construction Schedule

Utility Project Number (if available)

Project Name

Developer

**This Interconnection schedule depends upon receipt of funds along with notification to proceed, executed Interconnection Agreement, weather, equipment delivery, public opposition to right-of-way and timely Customer design submittals. Close coordination is required to sequence construction and planned interruption events. As a result, any final schedule requires mutual agreement and would be subject to change.*

Milestone	Estimated Time Duration to Completion (Weeks)	Responsible Party
25 % Payment		Interconnection Customer
Administrative Setup		Utility
Customer Submittals One Line and Three Line Diagrams Stamped Site Plans		Interconnection Customer
Design Queue		Utility
Permitting/Easements		Utility
Upgrade Design – Line/POI/Substation Design		Utility: Complete design to the point of material ordering
75% Payment**		Interconnection Customer (120 Business Days after 1 st Payment)
Scheduling/Procurement		Utility
Construction – Line/POI/Substation		
Verification Test Coordination Customer Witness Testing Energization/Permission to Operate	Per SIR Timelines	<u>Utility/Interconnection customer</u> <i>Customer submittals required to be approved to schedule test</i>
Total Project Duration		Utility/Interconnection Customer

***The sequence of Milestone schedule might change for Non-CESIR projects.*