

needs of the breadth of small generation technologies and fuel types (within the scope of those matters which are within the responsibility of this agency).

B. Summary of the Proposed SGIP and the Proposed SGIA

1. Standard Small Generator Interconnection Procedures (Proposed SGIP)

82. The Proposed SGIP sets forth the procedures that Interconnection Customers and Transmission Providers would be required to follow during the interconnection process, culminating in the signing of an interconnection agreement by the Parties.

83. *Section 1. Definitions*—Section 1 of the Proposed SGIP and Article 1 of the Proposed SGIA contain defined terms. For the sake of consistency, the proposed SGIP and proposed SGIA contain one common set of terms.

84. *Section 2. General Provisions*—Proposed Section 2 contains directions on which sections of the Proposed SGIP govern the interconnection of various sizes of Small Generating Facilities. Site Control, Material Modifications to a proposed Generating Facility, the coordination of studies between the Transmission Provider and Affected Systems, and the use of a single Point of Interconnection for multiple generators are also addressed. The Transmission Provider shall maintain records of all Interconnection Requests received, the times required to complete Interconnection Request approvals and disapprovals, and explanations for the actions taken on the Interconnection Requests.

85. *Section 3. Super-Expedited Procedures for Interconnecting a Small Generating Facility No Larger than 2 MW to a Low-Voltage Transmission System*⁴¹—The Transmission Provider shall use the Super-Expedited Screening Criteria to evaluate Interconnection Requests submitted under Section 3. Interconnection Customers whose Interconnection Requests fail the Super-Expedited Screening Criteria may request Additional Review and, if necessary, follow the procedures specified in Section 4.

86. *Section 4. Procedures for Interconnecting a Small Generating Facility to a High-Voltage Transmission System and a Small Generating Facility Larger than 2 MW to a Low-Voltage Transmission System*⁴²—Proposed Section 4.3 sets forth special Expedited Procedures for Small Generating

Facilities no larger than 10 MW interconnecting with Low-Voltage Transmission Systems, using the Expedited Screening Criteria. Proposed Section 4.4 describes queuing priority. Proposed Sections 4.5–4.8 describe the accelerated procedures (as compared with the procedures in the Large Generator Interconnection Final Rule) for interconnecting Small Generating Facilities to High-Voltage Transmission Systems and Small Generating Facilities Larger than 10 MW to Low-Voltage Transmission Systems. These procedures include a Scoping Meeting and various Interconnection Studies that are used to evaluate Interconnection Requests.

87. *Charts*—Charts include a diagram of a typical Small Generating Facility installation and flowcharts depicting the Proposed Section 3 and Section 4 procedures.

88. *Appendices*—Appendix 1 lists the Super-Expedited Screening Criteria that are applicable to the interconnection of Precertified Small Generating Facilities no larger than 2 MW with Low-Voltage Transmission Systems. Appendix 2 lists the Expedited Screening Criteria that are applicable to the interconnection of Small Generating Facilities no larger than 10 MW with Low-Voltage Transmission Systems. Appendices 3–5 are pro forma agreements for the Interconnection Feasibility Study, the Interconnection System Impact Study, and the Interconnection Facilities Study, respectively. The Commission does not expect that these agreements would be filed with the Commission when executed. Appendix 6 is the standard Interconnection Request (Application Form). Appendix 7 is the Standard Small Generator Interconnection Agreement.

2. Standard Small Generator Interconnection Agreement (Proposed SGIA)

89. The Proposed SGIA sets forth the legal rights and obligations of each Party, addresses cost responsibility issues, establishes Milestones for the completion of the interconnection, and lays out a process for the resolution of disputes.

90. *Article 1. Definitions*—Section 1 of the Proposed SGIP and Article 1 of the Proposed SGIA contain defined terms. For the sake of consistency, the Proposed SGIP and Proposed SGIA contain one common set of terms.

91. *Article 2. Scope and Limitations of Agreement*—Proposed Article 2 describes responsibilities of the Parties to construct, interconnect, operate, and maintain the Generating Facility and the

Transmission Provider's Transmission System.

92. *Article 3. Inspection, Testing, Authorization, and Right of Access*—Proposed Article 3 describes Generating Facility testing and inspection requirements. The Transmission Provider must provide written authorization before the Interconnection Customer begins Parallel Operation. Proposed Article 3 also gives the Transmission Provider certain limited rights to access Interconnection Customer's property.

93. *Article 4. Effective Date, Term, Termination, and Disconnection*—Proposed Article 4 describes the Term of the Proposed SGIA and also addresses default (including cure), termination, and temporary disconnection rights.

94. *Article 5. Cost Responsibility, Milestones, Billing, and Payment*—Proposed Article 5 assigns financial responsibility for the costs of owning, operating, maintaining, repairing, and replacing the Interconnection Customer's Interconnection Facilities, and operating, maintaining, repairing, and replacing Transmission Provider's Interconnection Facilities. The Transmission Provider and the Interconnection Customer shall agree on Milestones related to the construction of the facilities for which each Party is responsible. Financial security arrangements and billing and payment obligations also are described.

95. *Article 6. Miscellaneous*—Proposed Article 6 contains a number of provisions, including: that the laws of the state where the Point of Interconnection is located will govern, the SGIA may be amended upon agreement of the Parties as approved by the Commission, expectations regarding system infrastructure and operational security, and provisions for successors or assigns. Also included are provisions governing rights of third party beneficiaries, waiver, notice and communications between the Parties, severability, Force Majeure, default, the use of subcontractors, consequential damages, environmental releases, and insurance. Several of these provisions were not included in the Coalition SGIA's. Commenters are requested to speak to whether these provisions should be modified in the Final Rule SGIA to accommodate the needs of Small Generators.

96. *Article 7. Confidentiality*—Proposed Article 7 describes how Confidential Information must be treated by the Parties.

97. *Article 8. Disputes*—Proposed Article 8 describes the Dispute Resolution procedure.

⁴¹ See Appendix A for a flowchart depicting this procedure.

⁴² See Appendix B for a flowchart depicting this procedure.