

Business Practice – Surplus Interconnection Service Request

Purpose

This Business Practice establishes a process for evaluating Interconnection Requests for Surplus Interconnection Service as required pursuant to FERC Order 845A Final Rule, dated, February 21, 2019. Surplus Interconnection Service allows an Interconnection Customers to utilize or transfer Surplus Interconnection Service at an existing Point of Interconnection.

Surplus Interconnection Service Request Process

Surplus Interconnection Requests may be made by the original Interconnection Customer whose Generating Facility is already interconnected or one of its affiliates. In addition, the Interconnection Customer may utilize or transfer Surplus Interconnection Service to other potential Interconnection Customers. The original Interconnection Customer can only make Surplus Interconnection Service available at its Point of Interconnection for any unused portion of Interconnection Service as established in the Large Generator Interconnection Agreement (LGIA) such that if the Surplus Interconnection Service is utilized the Interconnection Service limit at the Point of Interconnection would remain the same as in the LGIA. Transmission Provider shall work with the original Interconnection Customer and the Interconnection Customer requesting Surplus Interconnection Service (if different than the original Interconnection Customer) to evaluate that Surplus Interconnection Service.

Transmission Provider may accept any third-party studies demonstrating no adverse impact to the Transmission Provider's Transmission System and may require its own or additional studies at its discretion. Transmission Provider will use available studies to the extent applicable. The Interconnection Customer requesting Surplus Interconnection Service shall execute a Surplus Interconnection Service Study Agreement to evaluate Surplus Interconnection Service and shall be responsible for the cost of such study. Transmission Provider shall study Surplus Interconnection Service outside of the Queue and shall make reasonable efforts to complete

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the study after receipt of a fully executed Surplus Interconnection Study Agreement and receipt of related deposits and technical data required to perform the study.

Surplus Interconnection Service studies shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies as deemed necessary by the Transmission Provider provided that such other studies are identified in the Surplus Interconnection Study Agreement. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the Surplus Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original System Impact Study is not available for the Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary.

After the Surplus Interconnection Service studies are completed, the Transmission Provider, original Interconnection Customer, and the Interconnection Customer requesting Surplus Interconnection Service (if different from the original Interconnection Customer) shall develop a Surplus Interconnection Service Agreement, and other related agreements as necessary and file such agreements with the Commission as necessary. Such agreements shall, among other things, establish conditions such as the term of operation, the interconnection service limit, and the mode of operation for energy production (i.e., common or singular operation) and the roles and responsibilities of the parties for maintaining the operation of the facility within the parameters of the Surplus Interconnection Service Agreement.

Transmission Provider is not required to execute a Surplus Interconnection Service Agreement, and other related agreements, if such agreements do not meet the definition set forth in the

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Transmission Providers tariff or if the customer does not agree to the terms of such service, including any requirements that may be identified by the Transmission Provider in the studies for Surplus Interconnection Service. If the Interconnection Customer requesting Surplus Interconnection Service disputes an issue in the Surplus Interconnection Service Agreement, or other related agreements, Transmission Provider must file the unexecuted Surplus Interconnection Service Agreement with the Commission if requested by the Surplus Interconnection Customer.