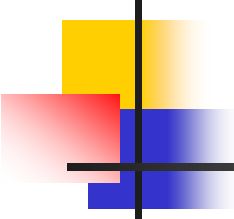


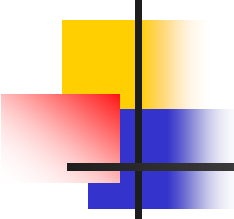
Evaluating SD Small Generator Interconnection Strawman

SD Interconnection Workshop
March 19, 2008



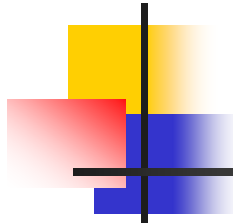
Scope of SD Rule (1.1 & 3.38)

- All “small generator facilities” eligible
 - Technology neutral;
 - Nameplate capacity of 20 MW or less;
 - Operating in parallel with TDS; &
 - Not producing electricity for resale to person other than interconnecting utility
- Note:
 - Generators larger than 20 MW that are still subject to state jurisdiction handled as Level 4 applications (13.1)



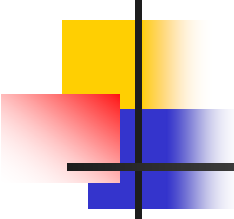
Breakpoints for Tiers

- Tier 1 -- 25 kW, inverter-based, lab tested, meets screens (Sec. 10)
- Tier 2 -- 2 MW, lab tested or field tested, meets screens (Sec. 11)
- Tier 3 -- 10 MW, no export, meets screens (Sec. 12)
- Tier 4 -- Any other state-jurisdictional project that doesn't qualify for Tiers 1, 2, or 3 (Sec. 13)



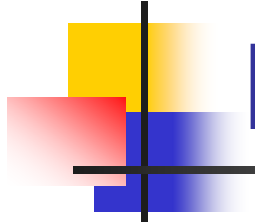
Timelines

- 5 days – Review Level 1, 2, or 3 application for completeness (10.4.2; 11.4.2; 12.5.2)
- 10 days – Review Level 4 application for completeness (13.3.2)
- 15 days – Apply Level 1 screening criteria (10.4.6)
- 20 days – Apply Level 2 and Level 3 screening criteria (11.4.5; 12.5.5)
- Level 4 study process outlined in Sec. 13.



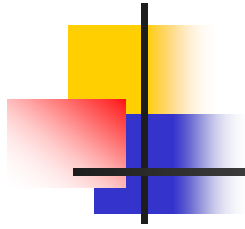
Application fees (4.2)

- Level 1 -- \$0
- Level 2 -- \$50 + \$1/kW up to \$500
- Level 3 -- \$100 + \$2/kW up to \$1,000
- Level 4 -- \$100 + \$2/kW up to \$1,000
- Notes:
 - Applies only to review screens, further study and construction is extra (4.2.5)
 - Fee structure taken from MD rule. OR rule has flat fees, rather than scaled fees.



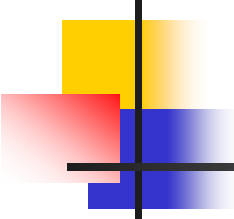
Engineering Charges

- Study costs
 - based on utility estimates, not to exceed \$100/hr (7.1)
 - deposit of 50%, not to exceed \$1,000 (7.7)
- Facility upgrades
 - cost based (7.5)
 - deposit of 25%, not to exceed \$10,000



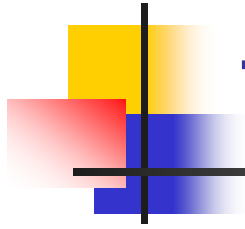
External disconnect switch

- Required for Tiers 2, 3, and 4 (5.9)
- Secondary line qualified exception (5.9.2)
- Lockbox alternative (5.9.3.2)



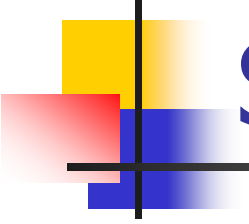
Certifications

- “Lab tested”
 - Tested, labeled and listed in accordance with 1547.1 by an NRTL (3.27)
 - Required for Level 1 (10.1.3)
- “Field tested”
 - Equipment identical to prior approved under Level 4 and successful witness test within last 36 months (3.12)
 - Level 2 may be either lab tested or field approved (11.1.3)



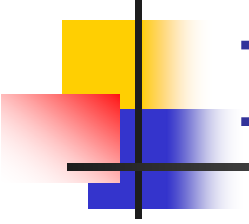
Technical Screens

- Level 1 (10.3)
- Level 2 (11.3)
- Level 3
 - On area networks (12.3)
 - Non-networked (12.4)
 - Both must also pass Tier 2 screens, except the 15% screen (12.2)



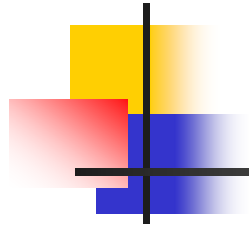
Standard agreements

- Tier 1 Application (p. 35)
- Tiers 2, 3, & 4 Application (p. 38)
- Facilities Study Form (p. 48)
- Feasibility Study Form (p. 52)
- Standard Interconnection Agreement (p. 60)



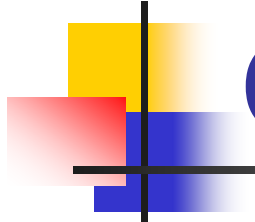
Insurance requirements

- Not required for < 200 kW (8.1)
- “prudent amount” required for other facilities (8.2)



Dispute resolution

- Notice and opportunity for informal resolution (18.1)
- If informal resolution fails, may file Complaint with the Commission
- Note – explore MD terms allowing access to third-party technical master?



Other issues

- Reporting and recordkeeping (Sec. 14)
- Metering and monitoring (Sec. 15)
- Temporary disconnection (Sec. 16)
- Termination and default (Sec. 17)