

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Order Instituting Rulemaking on the)	
Commission's own motion to improve)	Rulemaking 11-09-011
distribution level interconnection rules and)	
regulations for certain classes or electric)	(Filed September 22, 2011)
generators and electric storage resources.)	
_____)	

**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) PROPOSED RULE 21 TARIFF
LANGUAGE IMPLEMENTING SCE'S DISTRIBUTION GROUP STUDY PROCESS
PROPOSAL**

DOUGLAS K. PORTER
TRISTAN REYES CLOSE
MATTHEW DWYER

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-6521
Facsimile: (626) 302-6795
E-mail: matthew.dwyer@sce.com

Dated: **February 19, 2013**

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Pursuant to Rule 11.1 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission” or “CPUC”) and ALJ DeAngelis’s December 12, 2012 email, Southern California Edison Company (“SCE”) respectfully submits this *Proposed Rule 21 Tariff Language Implementing SCE’s Distribution Group Study Process Proposal*.

I. INTRODUCTION

On June 6, 2012, SCE, Pacific Gas and Electric Company (“PG&E”) and San Diego Gas & Electric Company (“SDG&E”) (collectively the “IOUs”) participated in a workshop facilitated by the Energy Division. PG&E and SCE presented their respective proposals setting out a Distribution Group Study Process (“DGSP”) for incorporation into Electric Tariff Rule 21. On July 10, 2012, in response to an e-mail ruling dated July 5, 2012, the IOUs filed their respective DGSP proposals in this proceeding. On July 31, 2012, parties filed comments on the IOUs’ proposals, and on August 21, 2012, the IOUs’ filed their respective reply comments.

On November 30, 2012, ALJ DeAngelis issued an email ruling instructing the IOUs to file draft proposed Rule 21 tariff language that implements each IOU's DGSP proposal.¹ Attached as Attachment A to this filing is a copy of SCE's draft proposal.

II. SCE'S PROPOSAL

SCE is pleased to submit its draft proposed Rule 21 tariff language, which implements SCE's proposed DGSP. SCE carefully considered the July 31, 2012 filed party comments while drafting the proposed tariff language. SCE's August 21, 2012 reply comments provided a detailed analysis regarding how SCE would address the filed party comments, and SCE has drafted the proposed tariff language to be consistent with that analysis.²

Attachment A contains SCE's proposed tariff language, reflected as a redline to the existing Rule 21.³ This attachment contains only those affected sections of Rule 21 that SCE proposes to change to incorporate its proposed DGSP. The DGSP, itself, is outlined in Section F.3.b. The proposed provisions of Section F.3.b are substantially similar to the existing Independent Study Process provisions of Section F.3.d. For ease of reference, Attachment A has (1) deleted all existing Rule 21, Section F.3.b provisions and (2) copied Section F.3.d and pasted it verbatim into Section F.3.b. Attachment A's redline only reflects DGSP-specific changes that are made to that altered Section F.3.b.

Attachment B is a table that summarizes all proposed changes to the existing Rule 21 and provides a brief description explaining each change.⁴

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¹ On December 12, 2012, ALJ DeAngelis issued an email ruling establishing February 18, 2012 as the filing date for this proposal. Pursuant to Rule 1.15 of the Rules of Practice and Procedure of the CPUC, SCE's deadline is February 19, 2012 because the CPUC's offices are closed for a state holiday on February 18, 2013.

² This is SCE's initial draft proposal, and SCE reserves the right to make further changes to this proposal.

³ This redline also corrects certain typographical errors.

⁴ SCE notes that, in addition to tariff changes, Rule 21 standardized forms will need to be revised and approved by the Commission to permit SCE to implement the DGSP.

III. CONCLUSION

SCE looks forward discussing its proposal with the Commission and parties.

Respectfully submitted,

DOUGLAS K. PORTER
TRISTAN REYES CLOSE
MATTHEW DWYER

/s/ Matthew Dwyer

By: Matthew Dwyer

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-6521
Facsimile: (626) 302-6795
E-mail:matthew.dwyer@sce.com

February 19, 2013

Attachment A

Rule 21
GENERATING FACILITY INTERCONNECTIONS

After the final tariff revisions are agreed upon, the Table of Contents will be updated accordingly.

Note: Sections B, D (except D.13), G (except G.3.c), H, I, J, K and L do not require changes.

The following changes will be made to the Definitions Section:

Detailed Study Agreement: The agreement entered into by the Interconnection Customer and Distribution Provider which sets forth the Parties' agreement to perform Interconnection Studies under the Independent Study Process or the Distribution Group Study Process.

Distribution Group: A group comprised of Interconnection Requests that fail Screen R that will be studied pursuant to Section F.3.b because the Screen R results demonstrate they are electrically interdependent.

Distribution Group Study Process: The interconnection study process set forth in Section F.3.b.

~~Independent Study Process Study Agreement: The agreement entered into by the Interconnection Customer and Distribution Provider which sets forth the Parties' agreement to perform Interconnection Studies under the Independent Study Process~~

Material Modification: Those modifications that have a material impact on cost or timing of any Interconnection Request with the same or a later queue priority date or a change in Point of Interconnection. A Material Modification does not include a change in ownership of a Generating Facility.

(Continued)

GENERATING FACILITY INTERCONNECTIONSD. GENERAL, RULES, RIGHTS AND OBLIGATIONS (Continued)

13. Special Provisions Applicable to Net Energy Metered Applicants

Notwithstanding any other provision in this Rule:

- a. For Generating Facilities qualifying for service under PUC sections 2827, 2827.8 and 2827.10 Distribution Provider may proceed from Initial to Supplemental Review to Independent Study Process [or Distribution Group Study Process](#) to further study without waiting for Applicant concurrence, since Applicant is not responsible for payment of study costs.
- b. For Generating Facilities qualifying for service under PUC sections 2827 and 2827.8 Distribution Provider approval for Interconnection shall normally be processed not later than thirty (30) Business Days following Distribution Provider's receipt of 1) a completed Net Energy Metering Interconnection Request including all supporting documents and required payments; 2) a completed signed Net Energy Metering Generator Interconnection Agreement; and 3) evidence of Applicant's final electric inspection clearance from the Governmental Authority having jurisdiction over the Generating Facility. If the 30-day period cannot be met, Distribution Provider shall notify Applicant and the Commission of the reason for the inability to process the Interconnection Request and the expected completion date. However, Applicants with PUC section 2827 Generating Facilities that include non-inverter based Generators and/or Generators with non-Certified Equipment should plan to submit a completed Net Energy Metering Interconnection Request including all supporting documents sufficient for Distribution Provider to start the review process in Section F.2.a without waiting for the final inspection clearance. Applicants with such Generating Facilities are advised to submit their Interconnection Request at least six (6) months in advance of their planned Commercial Operation Date. Depending on the size and location of these Generating Facilities, additional time for review may be required and could include Supplemental Review (twenty (20) Business Days), a System Impact Study (sixty (60) Calendar Days), and a Facilities Study (sixty (60) to ninety (90) Calendar Days depending on whether upgrades to the electric system are identified) as set out in Section F. The advance submission of the Interconnection Request will better accommodate Distribution Provider's review and studies in a manner consistent with the timelines established in this Rule that may be required to complete the processing for interconnection of non-inverter based Generators and/or Generators with non-Certified Equipment.
- c. Unless Net Generator Output Metering is required, Metering Equipment necessary to obtain service under PUC sections 2827 and 2827.8 shall be installed and operational within the timeframe required to complete Interconnection.

(Continued)

GENERATING FACILITY INTERCONNECTIONS

(Continued)

D. GENERAL RULES, RIGHTS AND OBLIGATIONS (Continued)

13. Special Provisions Applicable to Net Energy Metered Applicants (Continued)

- d. An Applicant with a Fast Track Interconnection Request for a Net Energy Metering or Non-Export Generating Facility that 1) goes for more than one year from the date of Distribution Provider's written notification that the Interconnection Request is valid without a signed Generator Interconnection Agreement, or 2) has a Generating Facility that has not been approved for Parallel Operation within one year of completion of all applicable review and/or studies, is subject to withdrawal by Distribution Provider; however, Distribution Provider may not deem the Interconnection Request to be withdrawn if the i) Applicant provides reasonable evidence that the Interconnection Request is still active or ii) if the delay is at no fault of Applicant.

14. Compliance with Established Timelines

Distribution Provider shall use Reasonable Efforts in meeting all the timelines provided for under this Rule. In the event Distribution Provider is not able to meet a particular timeline set forth in this Rule, Distribution Provider shall notify Applicant as soon as practicable and provide an estimated completion date with an explanation of the reasons why additional time is needed. Any Applicant dissatisfied with the Reasonable Efforts of Distribution Provider may use the informal procedures set out in Section F.1.d and/or the Dispute Resolution process in Section K.

15. Modification of Timelines

Distribution Provider and Applicant, for good cause, may agree to modify any of the timelines in this Rule. The modified timeline shall be mutually agreed upon, in writing, between Distribution Provider and Applicant.

(Continued)

GENERATING FACILITY INTERCONNECTIONS

(Continued)

E. Interconnection Request Submission Process

1. Optional Pre-Application Report

Upon receipt of a completed Pre-Application Report Request and a non-refundable processing fee of \$300, Distribution Provider shall provide pre-application data described in this section within ten (10) Business Days of receipt. The Pre-Application Report Request shall include a proposed Point of Interconnection, generation technology and fuel source. The proposed Point of Interconnection shall be defined by latitude and longitude, site map, street address, utility equipment number (e.g. pole number), meter number, account number or some combination of the above sufficient to clearly identify the location of the point of interconnection.

The Pre-Application Report will include the following information if available:

- a. Total Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.
- b. Allocated Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.
- c. Queued Capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site.
- d. Available Capacity (MW) of substation/area bus or bank and circuit most likely to serve proposed site.
- e. Substation nominal distribution voltage or transmission nominal voltage if applicable.
- f. Nominal distribution circuit voltage at the proposed site.

(Continued)

(Continued)

E. Interconnection Request Submission Process (Continued)

1. Pre-Application Report (Continued)

- g. Approximate circuit distance between the proposed site and the substation.
- h. Relevant Line Section(s) peak load estimate, and minimum load data, when available.
- i. Number of protective devices and number of voltage regulating devices between the proposed site and the substation/area.
- j. Whether or not three-phase power is available at the site.
- k. Limiting conductor rating from proposed Point of Interconnection to distribution substation.
- l. Based on proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

The Pre-Application Report need only include pre-existing data. A Pre-Application Report request does not obligate Distribution Provider to conduct a study or other analysis of the proposed project in the event that data is not available. If Distribution Provider cannot complete all or some of a Pre-Application Report due to lack of available data, Distribution Provider will provide Applicant with a Pre-Application Report that includes the information that is available.

In requesting a Pre-Application Report, Applicant understands that 1) the existence of "Available Capacity" in no way implies that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, 2) the distribution system is dynamic and subject to change and 3) data provided in the Pre-Application Report may become outdated and not useful at the time of submission of the complete Interconnection Request. Notwithstanding any of the provisions of this Section, Distribution Provider shall, in good faith, provide Pre- Application Report data that represents the best available information at the time of reporting.

(Continued)

E. Interconnection Request Submission Process (Continued)

2. Interconnection Request Process

a. Applicant Initiates Contact with Distribution Provider

Upon request, Distribution Provider will provide information and documents (such as sample agreements, Interconnection Request, technical information, listing of Certified Equipment, Initial and Supplemental Review fee information, applicable tariff schedules and Metering requirements) to a potential Applicant. Unless otherwise agreed upon, all such information shall normally be sent to an Applicant within three (3) Business Days following the initial request from Applicant. Distribution Provider will establish an individual representative as the single point of contact for Applicant, but may allocate responsibilities among its staff to best coordinate the Interconnection of an Applicant's Generating Facility.

b. Applicant Selects a Study Process

An Applicant may select one of two interconnection evaluation processes in accordance with the following eligibility requirements:

i) Fast Track Eligibility

Non-Exporting and Net Energy Metered Generating Facilities are eligible for Fast Track evaluation regardless of the Gross Nameplate Rating of the proposed Generating Facility. Exporting Generating Facilities with a Gross Nameplate Rating no larger than 3.0 MWs on a 12 kV, 16 kV or 33 kV are also eligible for Fast Track evaluation.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

2. Interconnection Request Process (Continued)

b. Applicant Selects a Study Process (Continued)

i) Fast Track Eligibility (Continued)

For an Exporting Generating Facility that agrees to the installation of Distribution Provider-approved protective devices at Applicant's cost such that the Exporting Generating Facility's net export will never exceed the Fast Track eligibility limits, the Generating Facility's net export will be considered for purposes of Fast Track eligibility. However, these Interconnection Requests will be required to complete Supplemental Review and [Applicants](#) should pre-pay for Supplemental Review at the time the Interconnection Request is submitted.

ii) Detailed Study Eligibility

Interconnection Requests that are not eligible for Fast Track evaluation must apply for Detailed Study. An Applicant may also choose to apply directly for Detailed Studies. Detailed Study shall require either (i) an Independent Study Process, (ii) a Distribution Group Study Process, or (iii) a Transmission Cluster Study Process. The specific study process used will depend on the results of the Electrical Independence Tests for the Transmission and Distribution Systems.

iii) Request for Deliverability Assessment

Unless specified otherwise in the Interconnection Request, Generating Facilities eligible to be studied under the Fast Track Process, Independent Study Process or Distribution Group Study Process will be assumed to have selected Energy-Only Deliverability Status. Nothing herein will prohibit an Applicant from seeking a deliverability assessment in accordance with the WDAT. Applicants studied under the Transmission Cluster Study Process may seek a deliverability assessment in accordance with the applicable provisions of the WDAT.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

2. Interconnection Request Process (Continued)

c. Applicant Completes an Interconnection Request

All Applicants shall submit a complete and valid Interconnection Request. When applicable per Table E.1, a nonrefundable \$800 Interconnection Request fee, and for Applicants that elect Detailed Study in the Interconnection Request, a study deposit shall be required per instructions in the Interconnection Request. Applicants who proceed to Detailed Study after Fast Track will provide a Detailed Study deposit as specified in Section E.3.a.

Applicant shall submit a separate Interconnection Request for each Point of Interconnection. An Interconnection Request for the expansion of capacity of an existing operating Generating Facility shall be treated the same as an Interconnection Request for a new Generating Facility pursuant to this Rule.

Rule 21
GENERATING FACILITY INTERCONNECTIONS

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

2. Interconnection Request Process (Continued)

c. Applicant Completes an Interconnection Request (Continued)

Table E.1 Summary of Interconnection Request Fees, Deposits and Exemptions

<u>Generating Facility Type</u>	<u>Interconnection Request Fee</u>	<u>Supplemental Review Fee</u>	<u>Detailed Study Deposit</u>	<u>Additional Commissioning Test Verification</u>
Non-Net Energy Metering	\$800	\$2,500	<p>For a Generating Facility with a Gross Nameplate Rating of 5 MW or less and applying to the Independent Study Process or the Distribution Group Study Process, \$10,000 for a System Impact Study and \$15,000 for an Interconnection Facilities Study.</p> <p>For a Generating Facility with a Gross Nameplate Rating above 5 MW, \$50,000 plus \$1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generation Facility, as applicable, rounded up to the nearest whole MW, up to a maximum of \$250,000</p>	\$150/Person Hour *
Net Energy Metering (per PUC sections 2827, 2827.8, or 2827.10 (per D.02-03-057))	\$0	\$0	\$0	N/A
Solar 1MW or less that does not sell power to Distribution Provider (per D.01-07-027)	First \$5,000 of study fees waived			\$150/Person Hour *

*Plus additional costs for travel, lodging and meals.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

2. Interconnection Request Process (Continued)

d. Site Exclusivity

Documentation of Site Exclusivity must be submitted with the Interconnection Request. This requirement does not apply to Applicants with NEM or Non-Export Generating Facilities.

3. Interconnection Request Fee and Study Deposit

The Interconnection Request fee shall be waived for Interconnection Requests pursuant to PUC sections 2827, 2827.8, or 2827.10, per Commission Decision D. 02-03-057 and for solar-powered Generating Facilities that do not sell power to Distribution Provider per Commission Decision D. 01-07-027. Generating Facilities eligible for Net Energy Metering under PUC sections 2827, 2827.8, or 2827.10 are exempt from any costs associated with Interconnection Studies. Interconnection Study fees for solar Generating Facilities up to 1 MW interconnecting to the Distribution System that do not sell power to the grid will be waived up to the amount of \$5,000.

a. Detailed Study Deposit

i) Detailed Study Deposit

To proceed with Detailed Study, Applicant must submit a ~~e~~Detailed ~~s~~Study deposit.

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less, Applicant must submit a ~~e~~Detailed ~~s~~Study deposit of \$10,000 for the Interconnection System Impact Study, and where an Interconnection Facilities Study is required, an additional \$15,000 deposit must be submitted as required in Section F.3.~~b~~.viii or F.3.d.viii.

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Applicant must submit a Detailed Study deposit equal to \$50,000 plus \$1,000 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole MW, up to a maximum of \$250,000.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

3. Interconnection Request Fee and Study Deposit (Continued)

a. Detailed Study Deposit (Continued)

ii) Use of Detailed Study Deposit

The Detailed Study deposit shall be applied to pay for prudent costs incurred by Distribution Provider, the CAISO, or third parties at the direction of Distribution Provider or CAISO, as applicable, to perform and administer the Interconnection Studies. Deposit amounts that exceed the prudent costs incurred by Distribution Provider shall be refunded to Applicant within sixty (60) Calendar Days following the issuance of the final study applicable to the Interconnection Request.

The Detailed Study deposits shall be refundable as follows:

- (1) Should an Interconnection Request be withdrawn by Applicant or be deemed withdrawn by Distribution Provider by written notice under Section F.6 on or before thirty (30) Calendar Days following the scoping meeting, Distribution Provider shall refund to Applicant any portion of Applicant's Detailed Study deposit that exceeds the costs Distribution Provider, CAISO, and third parties have incurred on Applicant's behalf, including interest from the date of receipt by Distribution Provider to the date of payment to Applicant. The applicable interest shall be one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from the Federal Reserve Statistical Release H.15 (expressed as an annual rate).
- (2) Should an Interconnection Request that has been moved into the Detailed Study Process be withdrawn by Applicant or be deemed withdrawn by Distribution Provider by written notice under Section F.6 more than thirty (30) Calendar Days after the scoping meeting, but on or before thirty (30) Calendar Days following the results meeting for the Interconnection System Impact Study, Distribution Provider shall refund to Applicant the difference between (i) Applicant's Detailed Study deposit and (ii) the greater of the costs Distribution Provider, CAISO, and third parties have incurred on Applicant's behalf or one-half of the original detailed study deposit up to a maximum of \$100,000, including interest from the date of receipt by Distribution Provider to the date of payment to Applicant. The applicable interest shall be one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from the Federal Reserve Statistical Release H.15 (expressed as an annual rate).

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

3. Interconnection Request Fee and Study Deposit (Continued)

a. Detailed Study Deposit (Continued)

ii) Use of Detailed Study Deposit

(3) Should an Interconnection Request be withdrawn by Applicant or be deemed withdrawn by Distribution Provider by written notice under Section F.6 at any time more than thirty (30) Calendar Days after the results meeting for the Interconnection System Impact Study, the ~~e~~Detailed ~~s~~Study deposit shall be non-refundable.

(4) Upon execution of a Generator Interconnection Agreement by an Applicant and Distribution Provider Distribution Provider shall refund to Applicant any portion of Applicant's ~~e~~Detailed ~~s~~Study deposit that exceeds the costs Distribution Provider, CAISO, and third parties have incurred on Applicant's behalf, including interest from the date of receipt by Distribution Provider to the date of payment to Applicant. The applicable interest shall be one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from the Federal Reserve Statistical Release H.15 (expressed as an annual rate).

iii) Notwithstanding the foregoing, an Applicant that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to Distribution Provider all costs in excess of the ~~e~~Detailed ~~s~~Study deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. Distribution Provider will reimburse the CAISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at Distribution Provider's direction. Applicant must pay all monies due before it is allowed to obtain any Interconnection Study data or results. Any proceeds of the Detailed Study deposit not otherwise reimbursed to Applicant or applied to costs incurred or irrevocably committed to be incurred for the ~~i~~nterconnection ~~s~~Studies shall be applied as directed by the Commission. Where an Applicant with remaining proceeds from a Detailed Study deposit cannot be located, such remaining proceeds shall escheat to the State pursuant to the Unclaimed Property Law commencing with the California Code of Civil Procedure § 1500.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

3. Interconnection Request Fee and Study Deposit (Continued)

a. Detailed Study Deposit (Continued)

iv) Special Circumstances

Applicant may propose, and Distribution Provider may agree, to reduced costs for reviewing atypical Interconnection Requests, such as Interconnection Requests submitted for multiple Generating Facilities, multiple sites, or otherwise as conditions warrant.

4. Interconnection Cost Responsibility

An Applicant, or a Producer where those are different entities, is responsible for all fees and/or costs, including Commissioning Testing, required to complete the interconnection process. A Producer that interconnects to Distribution Provider's Distribution or Transmission System is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution and Transmission System. Generating Facilities eligible for Net Energy Metering under California PUC sections 2827, 2827.8 or 2827.10 are exempt from any costs associated with Distribution or Network Upgrades.

a. Costs of Interconnection and Parallel Operation

The Interconnection and Parallel Operation of a Producer may trigger the need for Interconnection Facilities, Special Facilities or Added Facilities, Upgrades, Delivery Network Upgrades, and/or Reliability Network Upgrades. Interconnection Facilities installed on Producer's side of the PCC may be owned, operated and maintained by Producer or Distribution Provider. Interconnection Facilities installed on Distribution Provider's side of the PCC and Distribution System modifications shall be owned, operated, and maintained only by Distribution Provider.

b. Methodology and Timing of Cost Identification

Any costs triggered by a Producer are based on Producer's unique Interconnection requirements, Producer's impact on the Distribution System and/or Transmission System following allocation of capacity to earlier-queued interconnection requests, and Producer's electrical interdependence with any earlier-queued interconnection requests. Earlier-queued interconnection requests include interconnection requests under any applicable tariff.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

4. Interconnection Cost Responsibility (Continued)

c. Timing of Cost Identification

For Applicants to Fast Track, Independent Study Process, or Distribution Group Study Process, costs may be identified during the study process, or after the study process is complete and a Generator Interconnection Agreement is executed. The purpose of later identification of costs is to facilitate Applicant's Interconnection while accommodating incomplete interconnection studies for earlier-queued interconnection requests to the same Line Section, distribution circuit and/or substation, incomplete interconnection studies for earlier-queued interconnection requests with which Applicant is electrically interdependent with respect to short circuit duty, withdrawal of earlier-queued interconnection requests for Interconnection to the Distribution or Transmission System, and delay or cancellation of planned Distribution System Upgrades.

d. Producer Costs During Parallel Operation

All Producers are required to provide and maintain Interconnection Facilities, for the duration of the Generator Interconnection Agreement, that meet Distribution Provider's technical design and operating standards for Parallel Operation as set out in Section H, including any updates to those standards. This includes Producer responsibility for costs associated with changes to the operating characteristics at the Point of Interconnection necessitated by Distribution Provider's upgrades to the Transmission or Distribution System from time to time.

e. Cost Allocation

Except where exempt by law or Commission decision, costs triggered by an Interconnection Request under the Fast Track process or the Independent Study Process are the responsibility of the triggering Interconnection Request. In the case of the Distribution Group Study Process, the costs are the responsibility of all Interconnection Requests in a Distribution Group Study. The costs of Distribution Upgrades or Reliability Network Upgrades identified through a Distribution Group Study shall be assigned to all Interconnection Requests in a Distribution Group pro rata based on each Interconnection Request's contribution to the need for the upgrade. The costs of the Interconnection Studies for the Distribution Group Study Process shall be allocated equally to all Interconnection Requests in a Distribution Group. Costs triggered by an Interconnection Request under this Rule that transitions to the Transmission Cluster Study Process are allocated pursuant to the terms of Distribution Provider's WDAT or other applicable tariff.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

4. Interconnection Cost Responsibility (Continued)

f. Summary Tables

Table E.2 summarizes cost responsibility for costs and fees that may arise in the course of the interconnection process for NEM and non-NEM Applicants. Table E.3 summarizes cost responsibility for costs and fees that may arise in the course of the interconnection process for NEM Applicants under various sequences of interconnecting NEM and non-NEM Generators on the same PCC interconnecting to the Distribution or Transmission System.

Table E.2 Summary of Producer Cost Responsibility

<u>Generating Facility Type</u>	<u>Interconnection Request Fee</u>		<u>Supplemental Review Fee</u>		<u>Detailed Study Cost (Independent Study Process, Distribution Group Study Process, or Transmission Cluster Study Process)</u>		<u>Interconnection Facilities Cost</u>		<u>Distribution Upgrades Cost</u>		<u>Transmission Network Upgrade Cost (Ref. CAISO Tariff Sec. --)</u>	
	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO
Non-NEM	X		X		X		X		X		X	
NEM		X		X		X	X			X		X

Table E.3 Summary of Producer Cost Responsibility for Multiple Tariff Interconnections

<u>Existing Generating Facility</u>	<u>New Generating Facility</u>	<u>Interconnection Request Fee</u>		<u>Supplemental Review Fee</u>		<u>Detailed Study Cost</u>		<u>Interconnection Facilities Cost</u>		<u>Distribution Upgrades Cost</u>	
		YES	NO	YES	NO	YES	NO	YES	NO	YES	NO
NEM	Non-NEM	X		X		X		X		X ^a	
NEM	NEM		X		X		X	X			X
Non-NEM	NEM		X ^b		X ^b		X ^b	X			X ^{a,b}
Simultaneous NEM and Non-NEM		X		X		X		X		X ^a	

a) Proration will be based upon the annual expected energy output (kWh) derived from the nameplate of the Generator(s) modified by technology-specific capacity/availability factors of all NEM eligible versus non-NEM eligible Generators for the costs that cannot be clearly assigned to either type of tariff.

b) Change of operation of a non-NEM eligible Generator at any time to export is treated as a simultaneous NEM and non-NEM Interconnection Request, resulting in associated costs being allocated to Producer.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

5. Interconnection Request Validation and Assignment of Queue Position

Any Applicant for Interconnection to Distribution Provider's Distribution or Transmission System must submit a complete and valid Interconnection Request. An Interconnection Request will be considered complete and valid when all items required for an Interconnection Request have been received by Distribution Provider and deemed valid by Distribution Provider.

a. Acknowledgement of Interconnection Request

Distribution Provider shall provide a first written notification to the Interconnection Customer within ten (10) Business Days of receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed complete and valid.

b. Deficiencies in Interconnection Request

i) First Notification of Deficiency

If an Interconnection Request fails to meet the requirements, Distribution Provider shall state in its first written notification the reasons for such failure and that the Interconnection Request does not constitute a valid request.

Applicant shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request within ten (10) Business Days from the date of the first written notification that the Interconnection Request is invalid.

ii) Second Notification of Deficiency

Distribution Provider shall provide a second written notification to Applicant within ten (10) Business Days of receipt of the additional requested information, stating whether the Interconnection Request is valid or the reasons for any failure.

Applicant shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request within five (5) Business Days from the date of the second written notification that the Interconnection Request is invalid.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

5. Interconnection Request Validation and Assignment of Queue Position (Continued)

b. Deficiencies in Interconnection Request

iii) Extension Request

Upon request, Applicant can receive one extension of up to twenty (20) Business Days to resolve deficiencies in the Interconnection Request.

iv) Failure to Resolve Deficiencies

If Applicant does not resolve deficiencies in the Interconnection Request within the time frames set out above, Distribution Provider will deem the Interconnection Request withdrawn. Applicant may submit a new Interconnection Request.

Applicants with invalid Interconnection Requests under this Section may seek relief under the dispute resolution provisions in Section K by so notifying Distribution Provider within two (2) Business Days of receipt of the first or second written notification that the Interconnection Request is incomplete and/or invalid.

c. Assignment of Queue Position

Distribution Provider shall assign a queue position to all non-Net Energy Metering Applicants. If there were no deficiencies in the Interconnection Request, the queue position will be based on the date Distribution Provider received the Interconnection Request. If there were deficiencies in the Interconnection Request, the queue position will be based on the date Distribution Provider determines an Interconnection Request to be complete and valid. Should Distribution Provider not meet any deadline for providing the first (Section ~~E.5.b.i~~E.5.b.i) or second written notification (Section E.5.b.ii) to Applicant regarding the Interconnection Request, Applicant's queue position shall be set on the final day of the period in which Distribution Provider was obligated to provide such written notification, provided, however, that Applicant meets deadlines as set out above to submit any additional information required for a valid Interconnection Request following such written notification under Section E.5.b.i or E.5.b.ii, and that Distribution Provider determines that the Interconnection Request is valid.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

5. Interconnection Request Validation and Assignment of Queue Position (Continued)

c. Assignment of Queue Position (Continued)

Distribution Provider shall maintain a single queue for all non-Net Energy Metering Interconnection Requests governed by this Rule with a Point of Interconnection on Distribution Provider's Distribution System. For Interconnection Requests that are studied under the Distribution Group Study Process, the earliest queue position among all interconnection requests in a Distribution Group will be deemed to be the queue position for all interconnection requests in that Distribution Group. For Interconnection Requests that are studied under the Transmission Cluster Study Process, the queue position will be the applicable cluster's queue position.

d. Publication of the Interconnection Queue

Distribution Provider shall publish and update monthly on its website the interconnection queue for all Interconnection Requests governed by this Rule with a Point of Interconnection on Distribution Provider's Distribution System that have been assigned a queue position. Nothing here prohibits Distribution Provider from publishing this queue combined with other interconnection requests to Distribution Provider's Distribution System. The published interconnection queue may include the following information for each Interconnection Request governed by this Rule, subject to Energy Division approval:

i) ~~Interconnection Request and Queue Position Data~~

- (i) The assigned number, if any;
- (ii) the queue position;
- (iii) the date the Interconnection Request was received by Distribution Provider;
- (iv) the date the Interconnection Request was determined to be complete and valid;
- (v) the review process to which Applicant originally applied (Fast Track, ~~Independent Study Process, Transmission Cluster Study Processor Detailed Study~~);
- (vi) the original requested In-Service Date;
- (vii) the currently requested In-Service Date;
- (viii) the agreed-upon Commercial Operation Date or actual Commercial Operation Date.

(Continued)

E. INTERCONNECTION REQUEST SUBMISSION PROCESS (Continued)

5. Interconnection Request Validation and Assignment of Queue Position (Continued)

d. Publication of the Interconnection Queue (Continued)

ii) ~~Applicant Generating Facility/Storage System and Point of Interconnection Data~~

(ix) the maximum summer and winter MW electrical output;

(x) the type of generating or storage facility to be constructed;

(xi) the fuel source;

(xii) the proposed Point of Interconnection location by county;

(xiii) the proposed Point of Interconnection location by substation/area and, if applicable, circuit;

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS

1. Overview of the Interconnection Review Process

a. Valid Interconnection Request

After an Interconnection Request is deemed complete and valid, Distribution Provider will perform Fast Track evaluation unless an Applicant applies for Detailed Study or is not eligible for Fast Track evaluation. The eligibility requirements for Fast Track evaluation are set forth in Section E.2.b. See Section D.13 for special provisions related to the timeframe and costs applicable to NEM Applicants.

b. Fast Track Review

Fast Track evaluation allows for rapid review of the Interconnection of those Generating Facilities that do not require Detailed Study. Regardless of study process, all Generating Facilities shall be designed to meet the applicable requirements of Section H which identifies Generating Facility Design and Operation Requirements.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

1. Overview of the Interconnection Review Process (Continued)

b. Fast Track Review (Continued)

Fast Track review consists of an Initial Review and, if required, a Supplemental Review. The need for Supplemental Review will be determined based on the results of Initial Review Screens A through M in Section G. Applicants that successfully pass Initial Review Screens A through M will be allowed to interconnect without Supplemental Review.

If Supplemental Review is required, Distribution Provider will notify Applicant and Applicant must pay a nonrefundable Supplemental Review fee or withdraw its Interconnection Request. Supplemental Review shall consist of the application of Screens N through P in Section G.2. Applicants that pass Screens N through P will be allowed to interconnect without additional review.

If Supplemental Review reveals that a proposed Generating Facility cannot be interconnected to Distribution Provider's Distribution System by means of Fast Track evaluation, Distribution Provider will notify Applicant that Detailed Study will be required.

Failure to pass Fast Track evaluation means only that further review and/or study are required before the Generating Facility can be interconnected with Distribution Provider's Distribution System. It does not mean that the Generating Facility cannot be interconnected.

c. Detailed Studies

Detailed Study will be required for Interconnection Requests that either apply directly for Detailed Study, are not eligible for Fast Track evaluation, or do not pass Fast Track evaluation. Detailed Study shall consist of one of three study processes: (i) Independent Study Process; (ii) Distribution Group Study Process; or (iii) Transmission Cluster Study Process. The specific study process that is applied will depend on the results of Screens Q and R in Section G.3. Interconnection Requests that are found to be electrically interdependent with earlier-queued interconnection requests with impacts on the Transmission System, and thereby fail screen Q, will proceed to the Transmission Cluster Study Process. Interconnection Requests that are not electrically interdependent with earlier-queued interconnection requests with impacts on the Transmission System, and thereby pass screen Q, will be studied under either the Independent Study Process or the Distribution Group Study Process, [depending on the results of Screen R](#).

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

1. Overview of the Interconnection Review Process (Continued)

d. Compliance with Timelines

Distribution Provider shall use Reasonable Efforts in meeting all the timelines set out in this Rule, or mutually modified by Distribution Provider and Applicant pursuant to Section D.15. Each Distribution Provider shall designate an ombudsman with authority to resolve disputes over missed timelines. The identity, role, and contact information of the ombudsman shall be available on Distribution Provider's website.

If at any time an Applicant is dissatisfied with the Reasonable Efforts of Distribution Provider to meet the timelines in this Section, Applicant may use the following procedures:

- (i) Contact the ombudsman designated by Distribution Provider;
- (ii) If the Distribution Provider ombudsman is unable to resolve the dispute within ten (10) Business Days, Applicant may either:
 - a) Contact the Consumer Affairs Branch (CAB) at the Commission.
 - b) Upon mutual agreement with Distribution Provider, make a written request for mediation to the Alternative Dispute Resolution (ADR) Coordinator in the Commission's Administrative Law (ALJ) Division. The request may be made by electronic mail to adr_program@cpuc.ca.gov, and shall state "Rule 21" in the subject line. The request shall contain the relevant facts of the timeline dispute. A copy of the request shall be sent to the Distribution Provider ombudsman. Provided that resources are available, the mediator assigned shall schedule a mediation with Applicant and Distribution Provider within ten (10) Business Days of receiving the request.

At any time, Applicant may file a formal complaint before the Commission pursuant to California PUC section 1702 and Article 4 of the Commission's Rules of Practice and Procedure.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process

a. Initial Review

Upon receipt of a complete and valid Interconnection Request, Distribution Provider shall perform Initial Review using the process in Section G.1. The Initial Review determines if (i) the Generating Facility qualifies for Fast Track Interconnection through Initial Review, or (ii) the Generating Facility requires a Supplemental Review. Absent extraordinary circumstances, Distribution Provider shall notify Applicant in writing of the results of Initial Review within fifteen (15) Business Days following validation of an Interconnection Request.

For Interconnection Requests that pass Initial Review and do not require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall provide Applicant with a Generator Interconnection Agreement within fifteen (15) Business Days of providing notice of Initial Review results. For Interconnection Requests that pass Initial Review but do require Interconnection Facilities or Distribution Upgrades, within fifteen (15) Business Days of providing notice of Initial Review results, Distribution Provider shall provide Applicant with a non-binding cost estimate of the Interconnection Facilities or Distribution Upgrades.

For all Interconnection Requests that pass Initial Review, refer to Section F.2.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

For Interconnection Requests that fail Initial Review, Distribution Provider shall provide the technical reason, data and analysis supporting the Initial Review results in writing and provide Applicant the option to either attend an Initial Review results meeting or proceed directly to Supplemental Review. Net Energy Metering Applicants covered under Section D.13.a shall proceed directly to Supplemental Review without an Initial Review results meeting. Applicant shall notify Distribution Provider within ten (10) Business Days following such notification whether to (i) proceed to an Initial Review results meeting, (ii) proceed to Supplemental Review, or (iii) withdraw the Interconnection Request. Applicant may request one extension of no more than ten (10) Business Days to respond. If Applicant fails to notify Distribution Provider within ten (10) Business Days of such notification, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process (Continued)

a. Initial Review (Continued)

No changes may be made to the planned Point of Interconnection or Generating Facility size included in the Interconnection Request during the Initial Review Process, unless such changes are agreed to by Distribution Provider. Where agreement has not been reached, Applicants choosing to change the Point of Interconnection or Generating Facility size must reapply and submit a new Interconnection Request.

Applicants that elect to proceed to Supplemental Review shall provide a nonrefundable Supplemental Review fee set forth in Section E.2.c with their response. The Supplemental Review fee shall be waived for Interconnection Requests requesting Interconnection pursuant to PUC sections 2827, 2827.8, or 2827.10, per Commission Decision D. 02-03-057 and for solar-powered Generating Facilities that do not sell power to Distribution Provider, per Commission Decision D. 01-07-027.

b. Optional Initial Review Results Meeting

Within five (5) Business Days of Applicant's request for an Initial Review results meeting, Distribution Provider shall contact Applicant and offer to convene a meeting at a mutually acceptable time to review the Initial Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without Supplemental Review.

If modifications that obviate the need for Supplemental Review are identified, and Applicant and Distribution Provider agree to such modifications, Distribution Provider shall provide Applicant with a Generator Interconnection Agreement within fifteen (15) Business Days of the Initial Review results meeting if no Interconnection Facilities or Distribution Upgrades are required. If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide Applicant with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Initial Review results meeting. For all Interconnection Requests that pass Initial Review, refer to Section F.2.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process (Continued)

b. Optional Initial Review Results Meeting (Continued)

If Applicant and Distribution Provider are unable to identify or agree to modifications that enable Applicant to pass Initial Review, Applicant shall notify Distribution Provider within five (5) Business Days of the Initial Review results meeting whether it would like to proceed with Supplemental Review or withdraw its Interconnection Request. Applicant may request one extension of no more than five (5) Business Days to respond. If Applicant fails to notify Distribution Provider within five (5) Business Days of the Initial Review results meeting, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

c. Supplemental Review

If Applicant requests Supplemental Review and submits a nonrefundable Supplemental Review fee, if required, Distribution Provider shall complete Supplemental Review within twenty (20) Business Days, absent extraordinary circumstances, following authorization and receipt of the fee. Supplemental Review determines if (i) the Generating Facility qualifies for Fast Track Interconnection, or (ii) the Generating Facility requires Detailed Study.

For Interconnection Requests that pass Supplemental Review and do not require Interconnection Facilities or Distribution Upgrades, Distribution Provider shall provide Applicant with a Generator Interconnection Agreement within fifteen (15) Business Days of providing notice of Supplemental Review results. For Interconnection Requests that pass Supplemental Review and do require Interconnection Facilities or Distribution Upgrades, within fifteen (15) Business Days of providing notice of Supplemental Review results, Distribution Provider shall provide Applicant with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades. For all Interconnection Requests that pass Supplemental Review, refer to Section F.2.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process (Continued)

c. Supplemental Review (Continued)

For Interconnection Requests that fail Supplemental Review, Distribution Provider shall provide the technical reason, data and analysis supporting the Supplemental Review results in writing, including, if Distribution Provider can make the determination, which Detailed Study track Applicant qualifies for, and provide Applicant the option to attend a Supplemental Review results meeting or proceed directly to Detailed Study. Applicant shall notify Distribution Provider within fifteen (15) Business Days following such notification whether to (i) proceed to a Supplemental Review results meeting, (ii) proceed to Detailed Study, or (iii) withdraw the Interconnection Request. Applicant may request one extension of no more than fifteen (15) Business Days to respond. If Applicant fails to notify Distribution Provider within fifteen (15) Business Days of such notification, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.

Applicants that elect to proceed to Detailed Study shall provide the applicable study deposit set forth in Section E.3.a with their response. Detailed Study fees for solar Generating Facilities up to 1 MW interconnecting to the Distribution System that do not sell power to Distribution Provider will be waived up to the amount of \$5,000. Generating Facilities eligible for Net Energy Metering under PUC sections 2827, 2827.8, or 2827.10 are exempt from any costs associated with Detailed Studies.

d. Optional Supplemental Review Results Meeting

Within five (5) Business Days of Applicant's request for a Supplemental Review results meeting, Distribution Provider shall contact Applicant and offer to convene a meeting at a mutually acceptable time to review the Supplemental Review screen analysis and related results to determine what modifications, if any, may permit the Generating Facility to be connected safely and reliably without Detailed Study.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process (Continued)

d. Optional Supplemental Review Results Meeting (Continued)

If modifications that obviate the need for Detailed Study are identified and Applicant and Distribution Provider agree to such modifications, Distribution Provider shall provide Applicant with a Generator Interconnection Agreement within fifteen (15) Business Days of the Supplemental Review results meeting if no Interconnection Facilities or Distribution Upgrades are required. If Interconnection Facilities or Distribution Upgrades are required, Distribution Provider shall provide Applicant with a non-binding cost estimate of any Interconnection Facilities or Distribution Upgrades within fifteen (15) Business Days of the Supplemental Review results meeting. For all Interconnection Requests that pass Supplemental Review, refer to Section F.2.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

If Applicant and Distribution Provider are unable to identify or agree to modifications, Applicant shall notify Distribution Provider within twenty (20) Business Days of the Supplemental Review Results Meeting whether it would like to proceed with Detailed Study or withdraw its Interconnection Request. Applicant may request one extension of no more than twenty (20) Business Days to respond. If Applicant fails to notify Distribution Provider within twenty (20) Business Days of the Supplemental Review results meeting, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn. Applicants that elect to proceed to Detailed Study shall provide the applicable study deposit set forth in Section E.3.a.

e. Execution of the Generator Interconnection Agreement

Following the receipt of a cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified (Applicants that did not require a cost estimate may proceed directly to the paragraph below), Applicant shall notify Distribution Provider within fifteen (15) Business Days whether Applicant: (i) requests a Generator Interconnection Agreement, or (ii) withdraws its Interconnection Request. Applicant may request one extension of no more than fifteen (15) Business Days to respond. If Applicant fails to notify Distribution Provider within fifteen (15) Business Days, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn. If Applicant elects to proceed to a Generator Interconnection Agreement, Distribution Provider shall provide Applicant with a Generator Interconnection Agreement for Applicant's signature within fifteen (15) Business Days of Applicant's request.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

2. Fast Track Interconnection Review Process (Continued)

e. Execution of the Generator Interconnection Agreement (Continued)

Upon receipt of a draft Generator Interconnection Agreement, Applicant has ninety (90) Calendar Days to sign and return the Generator Interconnection Agreement. Applicant shall provide written comments, or notification of no comments, to the draft Generator Interconnection Agreement and appendices within thirty (30) Calendar Days. At the request of Applicant, Distribution Provider shall begin negotiations with Applicant at any time after Distribution Provider provides Applicant with the draft Generator Interconnection Agreement, which contains in its appendices the cost estimate for any Distribution Upgrades and/or Interconnection Facilities that have been identified by Distribution Provider. Distribution Provider and Applicant shall negotiate concerning the cost estimate, or any disputed provisions of the appendices to a draft Generator Interconnection Agreement, for not more than ninety (90) Calendar Days after Distribution Provider provides Applicant with the Generator Interconnection Agreement. If Applicant determines that negotiations are at an impasse, it may request termination of the negotiations and initiate Dispute Resolution procedures pursuant to Section K. If Applicant fails to sign the Generator Interconnection Agreement or initiate Dispute Resolution within ninety (90) Calendar Days, the Interconnection Request shall be deemed withdrawn.

After Applicant, or a Producer where those are different entities, has executed the Generator Interconnection Agreement, Distribution Provider will commence design, procurement, construction and installation of Distribution Provider's Distribution Upgrades and/or Interconnection Facilities that have been identified in the Generator Interconnection Agreement. Distribution Provider and Producer will use good faith efforts to meet schedules in accordance with the requirements of the Generator Interconnection Agreement and estimated costs as appropriate. Producer is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution System and Transmission System as set forth in Section E.4.

Distribution Provider and Producer shall negotiate in good faith concerning a schedule for the construction of Distribution Provider's Interconnection Facilities and Distribution Upgrades.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process

a. Detailed Study Track Selection Process

~~Applicants that apply directly for Detailed Study may elect to enter the Transmission Cluster Study Process without the application of Screens Q and R.~~ For Applicants that applied for Fast Track evaluation but failed the Supplemental Review, Distribution Provider shall determine, to the extent practicable, the Detailed Study track for which Applicant is eligible and provide that information with the Supplemental Review Results as set out in section F.2.c. For all other Applicants, the specific Detailed Study track for which Applicant is eligible will be determined by the application of Screens Q and R. For Applicants that require application of Screens Q and R, absent extraordinary circumstances, within twenty (20) Business Days following validation of an Interconnection Request and receipt of the appropriate study deposit set forth in Section E.3.a, Distribution Provider will apply Screen Q, and if applicable, Screen R and provide Applicant with the screen results as set forth below.

If Applicant fails Screen Q, Distribution Provider shall provide the data and analysis supporting Screen Q results in writing. ~~Interconnection Request will be processed in accordance with Section F.3.c below. and provide Applicant the option to proceed to the Transmission Cluster Study Process. Applicant shall notify Distribution Provider within twenty (20) Business Days following such notification whether it would like to (i) proceed to the Transmission Cluster Study Process or (ii) withdraw the Interconnection Request. Applicant may request one extension of no more than twenty (20) Business Days to respond. If Applicant fails to notify Distribution Provider within twenty (20) Business Days of receiving the Screen Q results, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn.~~

If Applicant passes Screen Q, but fails Screen R, Distribution Provider shall provide the data and analysis supporting the Screen R results in writing and provide Applicant the option to proceed to the Distribution Group Study Process. Applicant shall notify Distribution Provider within twenty (20) Business Days following such notification whether it would like to (i) proceed to the Distribution Group Study Process or (ii) withdraw the Interconnection Request. Applicant may request one extension of no more than twenty (20) Business Days to respond. If Applicant fails to notify Distribution Provider within twenty (20) Business Days of receiving Screen R results, or at the end of the extension, if one was requested, the Interconnection Request shall be deemed withdrawn. If Applicant elects to proceed to the Distribution Group Study Process, the Interconnection Request will be processed in accordance with Section F.3.b below.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

a. Detailed Study Track Selection Process (Continued)

If Applicant passes Screens Q and R, the Interconnection Request will be processed in accordance with Section F.3.d (Independent Study Process) below. However, an Applicant that qualifies for processing under Section F.3.d (Independent Study Process) may provide written notice to the Distribution Provider that it elects to have its Interconnection Request processed in accordance with Section F.3.b (Distribution Group Study Process). Such notice must be received by the Distribution Provider no later than the day the scoping meeting takes place.

~~If Applicant elects to proceed to the Distribution Group Study Process, the Interconnection Request will be processed in accordance with Section F.3.b below.~~

~~If Applicant elects to proceed to the Transmission Cluster Study Process, Interconnection Request will be processed in accordance with Section F.3.c below.~~

b. Distribution Group Study Process

~~Interconnection Requests that would otherwise qualify for the Distribution Group Study Process will be studied under the Transmission Cluster Study pursuant to Section F.3.c except as described below:~~

~~i) If Applicant fails Screen R because there is only one (1) earlier-queued, interconnection request with which Applicant is electrically interdependent and that is currently undergoing an independent study process, Distribution Provider shall notify Applicant at the same time that it provides the Screen R results of the expected completion date for the earlier-queued interconnection request. Distribution Provider shall provide Applicant the option of (1) waiting until the earlier-queued interconnection request has completed the independent study process and then initiating the Independent Study Process at that time, or (2) proceeding directly to the Transmission Cluster Study Process pursuant to Section F.3.c. If Applicant chooses option 1, the timeline for completing Applicant's Independent Study Process will not begin until the earlier-queued interconnection request has completed the independent study process.~~

~~ii) At Distribution Provider's option, it may offer to study any Applicant that qualifies under this Section F.3.b under the Independent Study Process; provided that Applicant and Distribution Provider agree on a revised study timeline.~~

(Continued)

i) ~~Scoping Meeting~~

ii) i)

Within five (5) Business Days after Distribution Provider notifies Applicant that the Interconnection Request has passed Screens Q and ~~failed Screen R~~ and is thus eligible for the ~~Independent~~Distribution Group Study Process, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant and Distribution Provider for a scoping meeting.

The purpose of the scoping meeting shall be: (i) to discuss reasonable Commercial Operation Dates and alternative interconnection options; (ii) to exchange information, including any transmission data that would reasonably be expected to impact Applicant's interconnection options; (iii) to analyze such information; ~~and~~ (iv) to determine feasible Points of Interconnection and eliminate alternatives given resources and available information; and (v) to advise Applicant of the expected start date of the next applicable Distribution Group Study.

Distribution Provider will bring to the scoping meeting, as reasonably necessary to accomplish its purpose, such already available technical data, including, but not limited to; (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues.

Applicant will bring to the scoping meeting, in addition to the technical data in Attachment A of the Rule 21 Exporting Generating Facility Interconnection Request form, any system studies previously performed. Distribution Provider, the CAISO, if applicable, and Applicant will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Applicant shall designate its Point of Interconnection. The duration of the meeting shall be only what is sufficient to accomplish its purpose.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

Within fifteen (15) Business Days after the scoping meeting, Distribution Provider shall provide Applicant with an ~~Independent Study Process~~ Detailed Study Agreement, which shall contain an outline of the scope of the Interconnection System Impact Study and Interconnection Facilities Study, contain a non-binding good faith estimate of the cost to perform such studies, and shall specify that Applicant is responsible for the actual cost of the Interconnection Studies, including reasonable administrative costs. Applicant shall execute and deliver to Distribution Provider the ~~Independent Study Process~~ Detailed Study Agreement no later than thirty (30) Business Days after the scoping meeting, or the Interconnection Request shall be deemed withdrawn.

###ii) Formation of a Distribution Group and Timing of the Start and Completion of the Interconnection System Impact Study Results.

Distribution Groups will be formed as Interconnection Requests are received and processed. The first project that fails Screen R will initiate the formation of a Distribution Group and any subsequent Interconnection Requests that are eligible to be included in that Distribution Group and that are electrically interdependent based on the results of Screen R will be added to the group provided they meet certain requirements, described below. If there are no subsequent Interconnection Requests then the Distribution Group will contain only one Interconnection Request. Eligibility will be determined as follows:

Interconnection Requests for which the scoping meeting is held less than thirty (30) Calendar Days prior to the start date of a Distribution Group Study will not be eligible to be included in that Distribution Group. Interconnection Requests for which the scoping meeting is held more than thirty (30) Calendar Days prior to the start date of a Distribution Group Study will be eligible to be included in that Distribution Group only if the Applicant has submitted the executed Detailed Study Agreement prior to the start date of the Distribution Group Study. If the executed Detailed Study Agreement is received after the start date of a Distribution Group Study, the Interconnection Request will be included in the next applicable Distribution Group Study. These Distribution Group Study eligibility requirements have no effect on the other timelines in the tariff.

A Distribution Group Study for a particular Distribution Group will start either (1) when the studies for the interconnection request(s) queued earlier than the Interconnection Request that failed Screen R are complete or (2) when the Distribution Provider determines the Distribution Upgrades or Network Upgrades that are triggered by such earlier-queued interconnection request(s), whichever is earlier. Absent extraordinary circumstances, Distribution Provider shall complete and issue a final Interconnection System Impact Study report within ninety (90) Calendar Days after the ~~execution of an Independent Study Process Study Agreement~~ start of a Distribution Group Study for a particular Distribution Group. If the System Impact Study indicates a need for Network Upgrades, Distribution Provider will share applicable study results with the CAISO for review and comment and will incorporate comments into the final Interconnection System Impact Study report.

(Continued)

At any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection System Impact Study, Distribution Provider shall notify all Applicants in the Distribution Group as to the status of the Interconnection System Impact Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Distribution Provider shall provide any Applicant in the Distribution Group all relevant supporting documentation, workpapers and pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases, and currently planned Distribution Upgrades relevant to the Interconnection Request for the Interconnection System Impact Study. Applicant may be required to sign a non-disclosure agreement with terms consistent with Section D.7 regarding Confidentiality.

~~iv~~)iii) Interconnection System Impact Study Results Meeting.

If requested by an Applicant in a Distribution Group, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and the Applicant to discuss the results of the Interconnection System Impact Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant, Distribution Provider and the CAISO, if applicable, for the results meeting.

~~iv~~)iv) Initial Posting of Interconnection Financial Security.

Each Applicant in a Distribution Group shall make its initial posting of Interconnection Financial Security in accordance with the requirements of Section F.4.b, within sixty (60) Calendar Days after being provided with the final Interconnection System Impact Study report, or its Interconnection Request shall be deemed withdrawn. The initial posting of Interconnection Financial Security will be based on the cost responsibility for Network Upgrades, Distribution Upgrades, and Distribution Provider's Interconnection Facilities set forth in the final Interconnection System Impact Study report.

~~iv~~)v) Modifications

At any time during the course of the Interconnection Studies, Applicant, Distribution Provider, or the CAISO, as applicable, may identify changes to the planned Interconnection that may improve the costs and benefits (including reliability) of the Interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Distribution Provider, the CAISO, as applicable, and Applicant, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

(Continued)

At the Interconnection System Impact Study results meeting, Applicant should be prepared to discuss any desired modifications to the Interconnection Request. After the publication of the final Interconnection System Impact Study report, ~~but and~~ no later than either 1) five (5) Business Days following the Interconnection System Impact Study results meeting, not including the date of the results meeting, or 2) twenty-five (25) Business Days after receipt of the final Interconnection System Impact Study report, not including the date the Interconnection System Impact Study report was received, whichever is earlier, Applicant shall submit to Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. Distribution Provider will forward Applicant's request for modification to the CAISO, if applicable, within two (2) Business Days of receipt. If no Interconnection System Impact Study results meeting is held, Applicant shall submit to Distribution Provider any requested modifications within twenty-five (25) Business Days of the receipt of the final Interconnection System Impact Study report.

Modifications permitted under this Section F.3.~~db~~.v shall include specifically: (a) a decrease in the electrical output (MW) of the proposed Generating Facility; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. Distribution Provider, in coordination with CAISO, if applicable, will evaluate whether the proposed modification to the interconnection request constitutes a Material Modification. Distribution Provider will inform Applicant in writing whether the modifications would constitute a Material Modification within 10 Business Days of receipt of the proposed request for modification. Any change to the Point of Interconnection, except for that specified by Distribution Provider in an Interconnection Study or otherwise allowed under this Section F.3.~~db~~.v, shall constitute a Material Modification.

If the proposed modification is determined to be a Material Modification, Applicant may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. Applicant shall make such determination within ten (10) Business Days after being provided the Material Modification determination results.

Proposed modifications determined not to be Material Modifications may still necessitate the need to re-evaluate the System Impact Study to determine modifications to the Interconnection Facilities and Distribution Upgrades. Such re-evaluation will occur during the Facilities Study.~~Distribution Provider will provide Applicant an estimate of time to complete the re-evaluation and the associated incremental cost required to complete the re-evaluation. Applicant may either accept the additional time and cost to complete the re-evaluation, withdraw the proposed modification request, or proceed with a new Interconnection Request for such modification. Applicant shall make such determination within ten (10) Business Days after being provided the Material Modification results.~~

(Continued)

~~vii)~~vi) ~~Scope and Purpose of the~~Timing of Interconnection Facilities Study and Study Deposit.

Within either (i) five (5) Business Days following the Interconnection System Impact Study results meeting, or (ii) ~~within~~ twenty-five (25) Business Days of the receipt of the final Interconnection System Impact Study report if no Interconnection System Impact Study results meeting is held, whichever is earlier, Applicant shall submit to Distribution Provider the data required by Distribution Provider for the Interconnection Facilities Study. At that time, for Generating Facilities 5 MW or less, Applicant shall also submit the Interconnection Facilities Study deposit, as set out in Section E.3.a, unless the Interconnection Facilities Study will be waived in accordance with Section F.3.~~bd~~.vii.

~~viii)~~vii) Waiver of the Interconnection Facilities Study.

The Interconnection Facilities Study may be waived if Distribution Provider and each Applicant in the Distribution Group mutually agree to such waiver. If any Applicant in the Distribution Group fails to respond within ten (10) Business Days to a written request by the Distribution Provider to waive the Interconnection Facilities Study, the Applicant will be deemed to have agreed to waive the Interconnection Facilities Study. ~~Within thirty (30) Calendar Days after Distribution Provider provides the final Interconnection System Impact Study report to Applicant (if the Interconnection Facilities Study is waived),~~ Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices pursuant to the timeline in F.3.e.i. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement. If the Applicants chooses to forgo the Interconnection Facilities Study and move directly to a Generator Interconnection Agreement, each Applicant must agree in writing to be responsible for all actual costs of all required facilities deemed necessary by Distribution Provider. Each Applicant is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution and Transmission System as set forth in Section E.4. ~~Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.~~

(Continued)

ix) ~~viii~~ viii Timing of the Interconnection Facilities Study.

The Interconnection Facilities Study shall be completed and provided to each Applicant within ninety (90) Calendar Days after all Applicants in the Distribution Group (1) posts the initial Interconnection Financial Security in accordance with ~~Section F.4.b~~ where Distribution Upgrades or Network Upgrades are identified, (2) provide the data required in F.3.b.vi, and, (3) for Generating Facilities with a Gross Nameplate Rating of 5 MW or less, Applicant submits the Interconnection Facilities Study deposit in accordance with Section E.3.a and F.3.~~b~~.vi. In cases where no Distribution Upgrades and/or Network Upgrades are identified and the required facilities for each Interconnection Request in the Distribution Group are limited to Distribution Provider's Interconnection Facilities only, the Interconnection Facilities Study shall be completed within sixty (60) Calendar Days after all Applicants in the Distribution Group (1) posts the initial Interconnection Financial Security in accordance with Section F.4.b, (2) provide the data required in F.3.b.vi, and, (3) for Generating Facilities with a Gross Nameplate Rating of 5 MW or less, Applicants submits the Interconnection Facilities Study deposit.

If applicable, Distribution Provider will share the applicable study results with the CAISO for review and comment, and will incorporate CAISO comments, if any, into the study report prior to issuing a final Interconnection Facilities Study report to Applicants in the Distribution Group.

~~Within thirty (30) Calendar Days after Distribution Provider provides the final Interconnection Facilities Study report to Applicant, or within thirty (30) Calendar Days of an Interconnection Facilities Study results meeting, if requested, Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices, pursuant to the timeline in F.3.e.i, unless Applicant requests an Interconnection Facilities Study results meeting. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.~~

At any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Distribution Provider shall notify each Applicant in the Distribution Group in writing as to the status of the Interconnection Facilities Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

(Continued)

~~x~~)x) Interconnection Facilities Study Results Meeting.

If requested by an Applicant, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and Applicant to discuss the results of the Interconnection Facilities Study, including assigned cost responsibility. Within five (5) Business Days of the request, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant, Distribution Provider and the CAISO, if applicable, for the results meeting. ~~Within thirty (30) Calendar Days after the Interconnection Facilities Study results meeting,~~ Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices, to Applicant pursuant to the timeline in F.3.e.i. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

~~x~~)x) Second and Third Postings of Interconnection Financial Security

Each Applicant in a Distribution Group will post its second and third postings of Interconnection Financial Security as set forth in Sections F.4.c and F.4.d based on the cost responsibility for Network Upgrades, Distribution Upgrades, and Distribution Provider's Interconnection Facilities set forth in the final Interconnection Facilities Study, or the final Interconnection System Impact Study if the Interconnection Facilities Study is waived in accordance with Section F.3.~~eb~~.vii.

xi) Withdrawal and Reallocation of Cost to Interconnection Requests in a Distribution Group

If an Interconnection Request is withdrawn or a Generator Interconnection Agreement is terminated prior to the start of Construction Activities, the upgrades identified in the Interconnection Studies or the Generator Interconnection Agreement will be evaluated and/or restudied to determine if they are still needed. If the Distribution Provider determines that a restudy is needed, it will be conducted pursuant to Section F.3.b.xii. Any costs, identified in the Distribution Group Study not already funded by Interconnection Financial Security that has been posted by the withdrawing Applicant, will be the responsibility of the remaining Applicants in the Distribution Group and will be reallocated in accordance with E.4.e.

If a Generator Interconnection Agreement is terminated after the start of Construction Activities, the upgrades identified in the Generator Interconnection Agreement will be evaluated and/or restudied to determine if they are still needed only if Distribution Provider and all the remaining Applicants in the Distribution Group mutually agree. If any Applicant in the Distribution Group fails to respond within ten (10) Business Days to a written request by the Distribution Provider to evaluate and/or restudy, the Applicant will be deemed to have agreed. If a restudy is agreed to, it will be conducted pursuant to Section F.3.b.xii.

(Continued)

xii) Restudy

The Restudy report shall be completed and provided to each Applicant remaining in the Distribution Group within ninety (90) Calendar Days of the withdrawal of the Interconnection Request that caused the Restudy. The Applicants remaining in the Distribution Group will be responsible for the cost of the restudy.

xiii) Automatic Timing Extension

If during any three (3) month period, there are a minimum of ten (10) active Distribution Group Studies and the number of active Distribution Group Studies exceeds by fifty (50) percent the number of active Interconnection Request in such processes for the preceding three (3) month period, the study timelines for Distribution Group Studies begun during the next six (6) months will automatically increase as follows. The time to complete the Interconnection System Impact Study pursuant to Section F.3.b.ii will increase from ninety (90) Calendar Days to one hundred and thirty-five (135) Calendar Days. The time to complete the Interconnection Facilities Study pursuant to Section F.3.b.viii will increase from ninety (90) Calendar Days to one hundred and thirty-five (135) Calendar Days, and in the case where there are no Distribution Upgrades and/or Network Upgrades identified, from sixty (60) Calendar Days to ninety (90) Calendar Days. The time to tender a draft Generator Interconnection Agreement pursuant to F.3.e.i will increase from thirty (30) Calendar Days to forty-five (45) Calendar Days.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

c. Transmission Cluster Study Process

If Applicant's Interconnection Request fails Screen Q or elects to be studied under the Transmission Cluster Study Process, Applicant shall have the option of applying for Interconnection under the Transmission Cluster Study Process of the WDAT in accordance with its provisions. If Applicant fails Screen Q, Applicant's Interconnection Request shall be deemed withdrawn under this Rule regardless of whether Applicant applies for Interconnection under the WDAT.

An Applicant that chooses to apply under the Transmission Cluster Study Process of the WDAT must file a valid Interconnection Request and post the applicable study deposit as set out in Distribution Provider's WDAT. If Applicant chooses to apply under the WDAT, then Applicant's Interconnection Request will be subject to the terms of Distribution Provider's WDAT applicable to the Transmission Cluster Study Process, including those provisions establishing cost responsibility. Upon completion of the Transmission Cluster Study Process under the WDAT, Applicants that are eligible for a State-jurisdictional Interconnection can, in accordance with the WDAT, either execute the applicable Commission-approved Rule 21 Generator Interconnection Agreement for Exporting Generating Facilities or the WDAT Generator Interconnection Agreement. Such Commission-approved Generator Interconnection Agreement for Exporting Generating Facilities will include the cost responsibility established in the Transmission Cluster Study.

If and when an Applicant submits a new interconnection request under the WDAT, Applicant is under the jurisdiction of FERC. On the date the applicable Commission-approved Rule 21 Generator Interconnection Agreement for Exporting Generating Facilities is executed by Applicant, or Producer where those are different entities, and Distribution Provider, jurisdiction over the Interconnection reverts back to the Commission.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process

i) Scoping Meeting

Within five (5) Business Days after Distribution Provider notifies Applicant that the Interconnection Request has passed Screens Q and R and is thus eligible for the Independent Study Process, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant and Distribution Provider for a scoping meeting.

The purpose of the scoping meeting shall be: (i) to discuss reasonable Commercial Operation Dates and alternative interconnection options; (ii) to exchange information, including any transmission data that would reasonably be expected to impact Applicant's interconnection options; (iii) to analyze such information; and (iv) to determine feasible Points of Interconnection and eliminate alternatives given resources and available information.

Distribution Provider will bring to the scoping meeting, as reasonably necessary to accomplish its purpose, such already available technical data, including, but not limited to; (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues.

Applicant will bring to the scoping meeting, in addition to the technical data in Attachment A of the Rule 21 Exporting Generating Facility Interconnection Request form, any system studies previously performed. Distribution Provider, the CAISO, if applicable, and Applicant will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Applicant shall designate its Point of Interconnection. The duration of the meeting shall be only what is sufficient to accomplish its purpose.

Within fifteen (15) Business Days after the scoping meeting, Distribution Provider shall provide Applicant with an ~~Independent Study Process~~Detailed Study Agreement, which shall contain an outline of the scope of the Interconnection System Impact Study and Interconnection Facilities Study, contain a non-binding good faith estimate of the cost to perform such studies, and shall specify that Applicant is responsible for the actual cost of the Interconnection Studies, including reasonable administrative costs. Applicant shall execute and deliver to Distribution Provider the ~~Independent Study Process~~Detailed Study Agreement no later than thirty (30) Business Days after the scoping meeting, or the Interconnection Request shall be deemed withdrawn.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

ii) Timing of the Interconnection System Impact Study Results.

Absent extraordinary circumstances, Distribution Provider shall complete and issue a final Interconnection System Impact Study report within ninety (90) Calendar Days after the execution of an ~~Independent Study Process~~ Detailed Study Agreement. If the System Impact Study indicates a need for Network Upgrades, Distribution Provider will share applicable study results with the CAISO for review and comment and will incorporate comments into the final Interconnection System Impact Study report.

At any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection System Impact Study, Distribution Provider shall notify Applicant as to the status of the Interconnection System Impact Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Distribution Provider shall provide Applicant all relevant supporting documentation, workpapers and pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases, and currently planned Distribution Upgrades relevant to the Interconnection Request for the Interconnection System Impact Study. Applicant may be required to sign a non-disclosure agreement with terms consistent with Section D.7 regarding Confidentiality.

iii) Interconnection System Impact Study Results Meeting.

If requested by Applicant, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and Applicant to discuss the results of the Interconnection System Impact Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant, Distribution Provider and the CAISO, if applicable, for the results meeting.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

iv) Initial Posting of Interconnection Financial Security.

Applicant shall make its initial posting of Interconnection Financial Security in accordance with the requirements of Section F.4.b, within sixty (60) Calendar Days after being provided with the final Interconnection System Impact Study report, or its Interconnection Request shall be deemed withdrawn. The initial posting of Interconnection Financial Security will be based on the cost responsibility for Network Upgrades, Distribution Upgrades, and Distribution Provider's Interconnection Facilities set forth in the final Interconnection System Impact Study report.

v) Modifications

At any time during the course of the Interconnection Studies, Applicant, Distribution Provider, or the CAISO, as applicable, may identify changes to the planned Interconnection that may improve the costs and benefits (including reliability) of the Interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Distribution Provider, the CAISO, as applicable, and Applicant, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

At the Interconnection System Impact Study results meeting, Applicant should be prepared to discuss any desired modifications to the Interconnection Request. After the publication of the final Interconnection System Impact Study report, but no later than five (5) Business Days following the Interconnection System Impact Study results meeting, Applicant shall submit to Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. Distribution Provider will forward Applicant's request for modification to the CAISO, if applicable, within two (2) Business Days of receipt. If no Interconnection System Impact Study results meeting is held, Applicant shall submit to Distribution Provider any requested modifications within twenty-five (25) Business Days of the receipt of the final Interconnection System Impact Study report.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

v) Modifications (Continued)

Modifications permitted under this Section F.3.d.v shall include specifically: (a) a decrease in the electrical output (MW) of the proposed Generating Facility; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. Distribution Provider, in coordination with CAISO, if applicable, will evaluate whether the proposed modification to the interconnection request constitutes a Material Modification. Distribution Provider will inform Applicant in writing whether the modifications would constitute a Material Modification within 10 Business Days of receipt of the proposed request for modification. Any change to the Point of Interconnection, except for that specified by Distribution Provider in an Interconnection Study or otherwise allowed under this Section F.3.d.v, shall constitute a Material Modification.

If the proposed modification is determined to be a Material Modification, Applicant may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. Applicant shall make such determination within ten (10) Business Days after being provided the Material Modification determination results.

Proposed modifications determined not to be Material Modifications may still necessitate the need to re-evaluate the System Impact Study to determine modifications to the Interconnection Facilities and Distribution Upgrades. Distribution Provider will provide Applicant an estimate of time to complete the re-evaluation and the associated incremental cost required to complete the re-evaluation. Applicant may either accept the additional time and cost to complete the re-evaluation, withdraw the proposed modification request, or proceed with a new Interconnection Request for such modification. Applicant shall make such determination within ten (10) Business Days after being provided the Material Modification results.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

vi) Scope and Purpose of the Interconnection Facilities Study and Study Deposit.

Within either (i) five (5) Business Days following the results meeting, or (ii) within twenty-five (25) Business Days of the receipt of the final Interconnection System Impact Study report if no Interconnection System Impact Study results meeting is held, Applicant shall submit to Distribution Provider the data required by Distribution Provider. At that time, for Generating Facilities 5 MW or less, Applicant shall also submit the Facilities Study deposit, as set out in Section E.3.a, unless the Facilities Study will be waived in accordance with Section F.3.d.vii.

vii) Waiver of the Interconnection Facilities Study.

The Facilities Study may be waived if Distribution Provider and Applicant mutually agree to such waiver. Within thirty (30) Calendar Days after Distribution Provider provides the final Interconnection System Impact Study report to Applicant (if the Interconnection Facilities Study is waived), Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement. If Applicant chooses to forgo the Facilities Study and move directly to a Generator Interconnection Agreement, Applicant must agree in writing to be responsible for all actual costs of all required facilities deemed necessary by Distribution Provider. Applicant is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution and Transmission System as set forth in Section E.4. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

viii) Timing of the Interconnection Facilities Study.

The Interconnection Facilities Study shall be completed and provided to Applicant within ninety (90) Calendar Days after Applicant (1) posts the initial Interconnection Financial Security in accordance with Section F.4.b where Distribution Upgrades or Network Upgrades are identified, (2) provides the data required in F.3.d.vi, and, (3) for Generating Facilities with a Gross Nameplate Rating of 5 MW or less, Applicant submits the Facilities Study deposit in accordance with Section E.3.a and F.3.d.vi. In cases where no Distribution Upgrades and/or Network Upgrades are identified and the required facilities are limited to Distribution Provider's Interconnection Facilities only, the Interconnection Facilities Study shall be completed within sixty (60) Calendar Days after Applicant (1) posts the initial Interconnection Financial Security in accordance with F.4.b, (2) provides the data required in F.3.d.vi, and, (3) for Generating Facilities with a Gross Nameplate Rating of 5 MW or less, Applicant submits the Facilities Study deposit.

If applicable, Distribution Provider will share the applicable study results with the CAISO for review and comment, and will incorporate CAISO comments, if any, into the study report prior to issuing a final Interconnection Facilities Study report to Applicant.

Within thirty (30) Calendar Days after Distribution Provider provides the final Interconnection Facilities Study report to Applicant, or within thirty (30) Calendar Days of an Interconnection Facilities Study results meeting, if requested, Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices, unless Applicant requests an Interconnection Facilities Study results meeting. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

At any time Distribution Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Distribution Provider shall notify Applicant in writing as to the status of the Interconnection Facilities Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

d. Independent Study Process (Continued)

ix) Interconnection Facilities Study Results Meeting.

If requested by Applicant, a results meeting shall be held among Distribution Provider, the CAISO, if applicable, and Applicant to discuss the results of the Interconnection Facilities Study, including assigned cost responsibility. Within five (5) Business Days of the request, Distribution Provider shall contact Applicant to establish a date agreeable to Applicant, Distribution Provider and the CAISO, if applicable, for the results meeting. Within thirty (30) Calendar Days after the Interconnection Facilities Study results meeting, Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices, to Applicant. Refer to Section F.3.e for cost responsibility and time frames for completing the Generator Interconnection Agreement.

x) Second and Third Postings of Interconnection Financial Security

Applicant will post its second and third postings of Interconnection Financial Security as set forth in Sections F.4.c and F.4.d based on the cost responsibility for Network Upgrades, Distribution Upgrades, and Distribution Provider's Interconnection Facilities set forth in the final Interconnection Facilities Study, or the final Interconnection System Impact Study if the Interconnection Facilities Study is waived in accordance with Section F.3.d.vii.

e. Generator Interconnection Agreement

i) Tender

Within thirty (30) Calendar Days after the later of i) Distribution Provider provides the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) to Applicant, or in the case of a Distribution Group Study to each Applicant in the Distribution Group or ii) the Interconnection Facilities Study results meeting, but in no event later than forty-five (45) Calendar Days after Distribution Provider provides the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), Distribution Provider shall tender a draft Generator Interconnection Agreement, together with draft appendices. Applicant shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

e. Generator Interconnection Agreement (Continued)

ii) Negotiation

Notwithstanding Section F.3.e.i, at the request of Applicant, Distribution Provider shall begin negotiations with Applicant concerning the appendices to the Generator Interconnection Agreement at any time after Distribution Provider provides Applicant with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived). Distribution Provider and Applicant shall negotiate concerning any disputed provisions of the appendices to the draft Generator Interconnection Agreement for not more than ninety (90) Calendar Days after Distribution Provider provides Applicant with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived). Producers whose Interconnection Requests were studied in a Distribution Group Study Process will be required to fund Distribution Upgrades and/or Network Upgrades triggered by more than one Interconnection Request in accordance with a payment schedule that allows such upgrades to be completed in time for the earliest Commercial Operation Date of such Interconnection Requests. Producer is responsible for all costs associated with Parallel Operation to support the safe and reliable operation of the Distribution System and Transmission System as set forth in Section E.4.

If Applicant determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft Generator Interconnection Agreement pursuant to Section F.3.e.i and initiate Dispute Resolution procedures pursuant to Section K. Unless otherwise agreed by the Parties, if Applicant or Producer, where those are different entities, has not executed the Generator Interconnection Agreement, or initiated Dispute Resolution procedures pursuant to Section K, within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), it shall be deemed to have withdrawn its Interconnection Request. Distribution Provider shall provide to Producer a final Generator Interconnection Agreement within fifteen (15) Business Days after the completion of the negotiation process.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

3. Detailed Study Interconnection Review Process (Continued)

e. Generator Interconnection Agreement (Continued)

iii) Extensions of Commercial Operation Date.

~~Extensions of t~~The Commercial Operation Date will be agreed upon in the executed Generator Interconnection Agreement. Reasonable Commercial Operation Dates will be discussed at the Interconnection Facilities Study results meeting or the System Impact Study results meeting if the Facilities Study is waived. Interconnection Requests under the Independent Study Process or Distribution Group Study Process will not be granted extensions except in circumstances beyond the control of Producer. If a request for extension of the Commercial Operation Date is granted, Producer is still responsible for funding any Distribution Upgrades and Network Upgrades specified in the Generator Interconnection Agreement and under the same payment schedule agreed upon in the Generator Interconnection Agreement. This provision has no impact on any power purchase agreement terms.

f. Engineering & Procurement (E&P) Agreement

Prior to executing a Generator Interconnection Agreement, in order to advance the implementation of its interconnection, an Applicant may request, and Distribution Provider shall offer, an E&P Agreement that authorizes Distribution Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Distribution Provider shall not be obligated to offer an E&P Agreement if Applicant is in Dispute Resolution as a result of an allegation that Applicant has failed to meet any milestones or comply with any prerequisites specified in other parts of this Rule. The E&P Agreement is an optional procedure. The E&P Agreement shall provide for Applicant to pay the cost of all activities authorized by Applicant and to make advance payments or provide other satisfactory security for such costs.

Applicant shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Applicant withdraws its Interconnection Request, or either Applicant or Distribution Provider terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Applicant shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Distribution Provider may elect: (i) to take title to the equipment, in which event Distribution Provider shall refund Applicant any amounts paid by Applicant for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Applicant, in which event Applicant shall pay any unpaid balance and cost of delivery of such equipment.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security

a. Types of Interconnection Financial Security.

The Interconnection Financial Security posted by an Applicant may be any combination of the following types of Interconnection Financial Security provided in favor of Distribution Provider:

- (a) an irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;
- (b) an unconditional and irrevocable guaranty issued by a company that has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;
- (c) a cash deposit standing to the credit of Distribution Provider and in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to Distribution Provider;

Interconnection Financial Security instruments as listed above shall be in such form as Distribution Provider may reasonably require from time to time by notice to Applicants, or in such other form as has been evaluated and approved as reasonably acceptable by Distribution Provider.

Distribution Provider shall require the use of standardized forms of Interconnection Financial Security to the greatest extent possible. If at any time the guarantor of the Interconnection Financial Security fails to maintain the credit rating required by this Section F.4.a, Applicant shall provide to Distribution Provider replacement Interconnection Financial Security meeting the requirements of this Section F.4.a within five (5) Business Days of the change in credit rating.

Interest on a cash deposit standing to the credit of Distribution Provider in an interest-bearing escrow account under subpart (ec) of this Section F.4.a will accrue to Applicant's benefit.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

b. Initial Posting of Interconnection Financial Security

On or before sixty (60) Calendar Days after publication of the final Interconnection System Impact Study report, Applicant must post, with notice to Distribution Provider, two separate Interconnection Financial Security instruments.

First, Applicant proposing to interconnect a Large Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of (i) fifteen percent (15%) of the total cost responsibility assigned to Applicant in the final Interconnection System Impact Study for Network Upgrades, (ii) \$20,000 per MW of electrical output of the Large Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by Applicant in its Interconnection Request, including any requested modifications thereto, or (iii) \$7,500,000.

Applicant proposing to interconnect a Small Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of (i) fifteen percent (15%) of the total cost responsibility assigned to Applicant in the final Interconnection System Impact Study for Network Upgrades, or (ii) \$20,000 per megawatt of electrical output of the Small Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by Applicant in its Interconnection Request.

Second, Applicant shall also post an Interconnection Financial Security instrument in the amount of twenty percent (20%) of the total estimated cost responsibility assigned to Applicant in the final Interconnection System Impact Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

The failure by an Applicant to timely post the Interconnection Financial Security required by this Section F.4.b shall result in the Interconnection Request being deemed withdrawn subject to Section F.6.

Applicant shall provide Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

c. Second Posting of Interconnection Financial Security

On or before one hundred twenty (120) Calendar Days after publication of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), Applicant shall post two separate Interconnection Financial Security instruments.

First, Applicant proposing to interconnect a Large Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by Applicant for Network Upgrades equals the lesser of (i) \$15 million, or (ii) thirty percent (30%) of the total cost responsibility assigned to Applicant for Network Upgrades in either the final Interconnection System Impact Study or final Interconnection Facilities Study, whichever is lower.

Applicant proposing to interconnect a Small Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by Applicant for Network Upgrades equals the lesser of (i) \$1 million, or (ii) thirty percent (30%) of the total cost responsibility assigned to Applicant for Network Upgrades in either the final Interconnection System Impact Study or final Interconnection Facilities Study, whichever is lower.

Second, Applicant shall also post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by Applicant for Distribution Provider's Interconnection Facilities and Distribution Upgrades equals thirty percent (30%) of the total cost responsibility assigned to Applicant in the final Interconnection Facilities Study, or final Interconnection System Impact Study if the Interconnection Facilities Study is waived, for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

c. Second Posting of Interconnection Financial Security (Continued)

If the start date for Construction Activities of Network Upgrades, Distribution Provider's Interconnection Facilities and Distribution Upgrades on behalf of Applicant is prior to one hundred twenty (120) Calendar Days after publication of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), that start date must be set forth in Applicant's Generator Interconnection Agreement and Applicant shall make its second posting of Interconnection Financial Security pursuant to Section F.4.d rather than Section F.4.c.

The failure by an Applicant to timely post the Interconnection Financial Security required by this Section F.4.c shall result in the Interconnection Request being deemed withdrawn and subject to Section F.6 or, if applicable, shall constitute grounds for termination of the Generator Interconnection Agreement.

d. Third Posting of Interconnection Financial Security.

On or before the start of Construction Activities for Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades on behalf of Applicant, whichever is earlier, Applicant shall modify the two separate Interconnection Financial Security instruments posted as follows.

With respect to the Interconnection Financial Security instrument for Network Upgrades, Applicant shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to Applicant for Network Upgrades in the final Interconnection Facilities Study, or the final Interconnection System Impact Study if the Interconnection Facilities Study is waived.

With respect to the Interconnection Financial Security instrument for Distribution Provider's Interconnection Facilities or Distribution Upgrades, Applicant shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to Applicant for Distribution Provider's Interconnection Facilities in the final Interconnection Facilities Study, or the final Interconnection System Impact Study if the Interconnection Facilities Study is waived.

The failure by an Applicant to timely post the Interconnection Financial Security required by this Section F.4.d shall constitute grounds for termination of the Generator Interconnection Agreement.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

- e. General Effect of Withdrawal of Interconnection Request or Termination of the Generator Interconnection Agreement on Interconnection Financial Security.

Except as set forth in Section F.4.e.i, withdrawal of an Interconnection Request or termination of a Generator Interconnection Agreement shall allow Distribution Provider to liquidate the Interconnection Financial Security, or balance thereof, posted by Applicant for Network Upgrades at the time of withdrawal. To the extent the amount of the liquidated Interconnection Financial Security plus capital, if any, separately provided by Applicant to satisfy its obligation to finance Network Upgrades in accordance with Section E.4 exceeds the total cost responsibility for Network Upgrades assigned to Applicant by the final Interconnection Facilities Study, or the final Interconnection System Impact Study if the Interconnection Facilities Study is waived, Distribution Provider shall remit to Applicant the excess amount.

Withdrawal of an Interconnection Request or termination of a Generator Interconnection Agreement shall result in the release to Applicant of any Interconnection Financial Security posted by Applicant for Distribution Provider's Interconnection Facilities and Distribution Upgrades, except with respect to any amounts necessary to pay for costs incurred or irrevocably committed by Distribution Provider on behalf of Applicant for Distribution Provider's Interconnection Facilities and Distribution Upgrades and for which Distribution Provider has not been reimbursed.

- i) Conditions for Partial Recovery of Interconnection Financial Security Upon Withdrawal of Interconnection Request or Termination of Generator Interconnection Agreement.

A portion of the Interconnection Financial Security shall be released to Applicant, consistent with Section F.4.e.ii, if the withdrawal of the Interconnection Request or termination of the Generator Interconnection Agreement occurs for any of the following reasons:

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

e. General Effect of Withdrawal... (Continued)

i) Conditions for Partial Recovery... (Continued)

(1) Failure to Secure a Power Purchase Agreement.

At the time of withdrawal of the Interconnection Request or termination of the Generator Interconnection Agreement, Applicant demonstrates to Distribution Provider that it has failed to secure an acceptable power purchase agreement for the energy or capacity of the Generating Facility after a good faith effort to do so. A good faith effort can be established by demonstrating participation in a competitive solicitation process or bilateral negotiations with an entity other than an Affiliate that progressed, at minimum, to the mutual exchange by all counter-parties of proposed term sheets.

(2) Failure to Secure a Necessary Permit.

At the time of withdrawal of the Interconnection Request or termination of the Generator Interconnection Agreement, Applicant demonstrates to Distribution Provider that it has received a final denial from the primary issuing Governmental Authority of any permit or other authorization necessary for the construction or operation of the Generating Facility.

(3) Increase in the Cost of Distribution Provider's Interconnection Facilities or Distribution Upgrades.

Applicant withdraws the Interconnection Request or terminates the Generator Interconnection Agreement based on an increase of: (i) more than 30% or \$300,000, whichever is greater, in the estimated cost of Distribution Provider's Interconnection Facilities; or (ii) more than 30% or \$300,000, whichever is greater, in the estimated cost of Distribution Upgrades allocated to Applicant from the Interconnection System Impact Study to the Interconnection Facilities Study. This Section F.4.e.i.(3) shall not apply if the cause of the cost increase under (i) or (ii) above is the result of a change requested by Applicant pursuant to Section F.3.d.v. [or F.3.d.v.](#)

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

e. General Effect of Withdrawal... (Continued)

i) Conditions for Partial Recovery... (Continued)

- (4) Material Change in Applicant's Interconnection Facilities Created by Distribution Provider's Change in the Point of Interconnection.

Applicant withdraws the Interconnection Request or terminates the Generator Interconnection Agreement based on a material change from the Interconnection System Impact Study in the Point of Interconnection for the Generating Facility mandated by Distribution Provider and included in the final Interconnection Facilities Study. A material change in the Point of Interconnection shall be where the Point of Interconnection has moved to (i) a different substation, (ii) a different line on a different right of way, or (iii) a materially different location than previously identified on the same line.

- (5) Notwithstanding anything in this tariff to the contrary, an Applicant whose Interconnection Request was studied in the Distribution Group Study process, shall not be entitled to a refund of Network Upgrades or Distribution Upgrades upon withdrawal of its Interconnection Request or termination of its Generator Interconnection Agreement, if the Network Upgrades and Distribution Upgrades are still required by other Interconnection Requests in the Distribution Group. To the extent the amount of the liquidated Interconnection Financial Security plus capital, if any, separately provided by the Applicant to satisfy its obligation to fund Network Upgrades and Distribution Upgrades, exceeds the total cost responsibility for the Applicant, Distribution Provider shall remit the excess amount.

\$10,000 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by Distribution Provider), or (ii) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of Applicant, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (i) above. If Applicant has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (ii) above.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

e. General Effect of Withdrawal... (Continued)

ii) Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades.

- (1) Up to One Hundred Twenty Calendar Days (120) After the Final Interconnection Facilities Study Report (or Final Interconnection System Impact Study Report if the Interconnection Facilities Study is Waived).

If, at any time after the initial posting of the Interconnection Financial Security for Network Upgrades under Section F.4.b and on or before one hundred twenty (120) Calendar Days after the date of issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), Applicant withdraws the Interconnection Request or terminates the Generator Interconnection Agreement, as applicable, in accordance with Section F.4.e.i, Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under Section F.4.b and reimburse Applicant in an amount of (i) any posted amount less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of \$10,000 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by Distribution Provider), or (ii) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of Applicant, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (i) above. If Applicant has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (ii) above.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

e. General Effect of Withdrawal... (Continued)

ii) Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades.

(2) Between One Hundred Twenty-One (121) Calendar Days and After Final Interconnection Facilities Study Report and the Commencement of Construction Activities.

If, at any time between one hundred twenty-one (121) Calendar Days and after the date of issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), and the commencement of Construction Activities for either Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades, Applicant withdraws the Interconnection Request or terminates the Generator Interconnection Agreement, as applicable, in accordance with Section F.4.e.i, Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under Section F.4.c and reimburse Applicant in an amount of (i) any posted amounts less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of \$20,000 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by Distribution Provider), or, (ii) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of Applicant, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (i) above. If Applicant has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (ii) above.

(3) After Commencement of Construction Activities.

Once Construction Activities on Network Upgrades on behalf of Applicant commence, any withdrawal of the Interconnection Request or termination of the Generator Interconnection Agreement by Applicant will be treated in accordance with this Section F.4.e.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

4. Interconnection Financial Security (Continued)

e. General Effect of Withdrawal... (Continued)

- ii) Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades.

(4) Notification and Accounting by Distribution Provider.

Distribution Provider will notify Applicant within three (3) Business Days of liquidating any Interconnection Financial Security. Within seventy-five (75) Calendar Days of any liquidating event, Distribution Provider will provide Applicant with an accounting of the disposition of the proceeds of the liquidated Interconnection Financial Security and all proceeds not otherwise reimbursed to Applicant or applied to costs incurred or irrevocably committed by Distribution Provider on behalf of Applicant in accordance with this Section F.4.e shall be applied as directed by the Commission. Where an Applicant with remaining proceeds from Interconnection Financial Security cannot be located, such remaining proceeds shall escheat to the State pursuant to the Unclaimed Property Law commencing with the California Code of Civil Procedure § 1500.

5. Commissioning Testing and Parallel Operation [Matt, this section is in the original so it should NOT show as a redline.]

a. Commissioning Testing

Producer Arranges for and Completes Commissioning Testing of Generating Facility and Producer's Interconnection Facilities: Producer is responsible for testing new Generating Facilities and associated Interconnection Facilities according to Section L.5 to ensure compliance with the safety and reliability provisions of this Rule prior to being operated in parallel with Distribution Provider's Distribution or Transmission System. For non-Certified Equipment, Producer shall develop a written testing plan to be submitted to Distribution Provider for its review and acceptance. Alternatively, Producer and Distribution Provider may agree to have Distribution Provider conduct the required testing at Producer's expense. Where applicable, the test plan shall include the installation test procedures published by the manufacturer of the Generating Facility or Interconnection Facilities. Facility testing shall be conducted at a mutually agreeable time, and depending on who conducts the test, Distribution Provider or Producer shall be given the opportunity to witness the tests.

GENERATING FACILITY INTERCONNECTIONS

(Continued)

F. REVIEW PROCESS FOR INTERCONNECTION REQUESTS (Continued)

5. Commissioning Testing and Parallel Operation (Continued)

b. Parallel Operation or Momentary Parallel Operation

Producer shall not commence Parallel Operation of its Generating Facility with Distribution Provider's system unless it has received Distribution Provider's express written permission to do so. Distribution Provider shall authorize Producer's Generating Facility for Parallel Operation or Momentary Parallel Operation with Distribution Provider's Distribution or Transmission System, in writing, within five (5) Calendar Days of satisfactory compliance with the terms of all applicable agreements. Compliance may include, but not be limited to, provision of any required documentation and satisfactorily completing any required inspections or tests as described herein or in the agreements formed between Producer and Distribution Provider.

6. Withdrawal

Applicant may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider. In addition, after receipt of the Interconnection Request, if Applicant fails to adhere to the requirements and timelines of this tariff, except as provided in Section K (Disputes), Distribution Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Applicant of the deemed withdrawal within five (5) Business Days and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Applicant shall have five (5) Business Days in which to either respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous and notifies Distribution Provider of its intent to pursue Dispute Resolution. If Applicant cures the deficiency or supports its position that the deemed withdrawal was erroneous, Applicant shall not lose its queue position established pursuant to Section E.5.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study process. If Applicant disputes the withdrawal and removal from the Interconnection Study process and has elected to pursue Dispute Resolution as set forth in Section K, Applicant's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of such withdrawal, Distribution Provider, subject to the provisions in Section D.7 and Sections E.3.a, as applicable, shall provide, at Applicant's request, all information that Distribution Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

(Continued)

GENERATING FACILITY INTERCONNECTIONS

(Continued)

G. ENGINEERING REVIEW DETAILS (Continued)

3. Detailed Study Screens (Continued)

c. Independent Study Process [and Distribution Group Study Process](#) Interconnection Studies

The Interconnection Studies shall consist of an Interconnection System Impact Study and an Interconnection Facilities Study. The Interconnection Studies will identify Interconnection Facilities, Distribution Upgrades and Reliability Network Upgrades necessary to mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. If Distribution Provider anticipates that Reliability Network Upgrades will be required, or the Interconnection Studies identify the need for Reliability Network Upgrades, then Distribution Provider will coordinate with the CAISO during the study process as set forth in Section F.3.[db](#) or [F.3.d](#) above.

i) Interconnection System Impact Study

(1) Scope of the Interconnection System Impact Study.

The Interconnection System Impact Study may consist of a localized short circuit analysis, a stability analysis, a power flow analysis, and any other studies that are deemed necessary. The localized short circuit analysis will evaluate impacts to the Distribution and Transmission System only with any local short circuit-duty related Reliability Network Upgrades allocated to the Generating Facility [or Generating Facilities](#) that requires the upgrades. Short circuit duty impacts to the CAISO Controlled Grid are appropriately evaluated only in the Transmission Cluster Study Process as set forth in Section F.3.c. The short circuit duty contribution of any Interconnection Requests studied in the Independent Study Process [or the Distribution Group Study Process](#) that are subsequently identified in the Cluster Study Process will be allocated ~~to~~[their](#) pro rata share of the short circuit duty-related Reliability Network Upgrades on the basis of the short circuit duty contribution of each Generating Facility.

(Continued)

GENERATING FACILITY INTERCONNECTIONS

(Continued)

G. ENGINEERING REVIEW DETAILS (Continued)

3. Detailed Study Screens (Continued)

c. Independent Study Process [and Distribution Group Study Process](#) Interconnection Studies (Continued)

i) Interconnection System Impact Study (Continued)

(1) Scope of the Interconnection System Impact Study. (Continued)

The Interconnection System Impact Study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement or potential impediments to providing the requested Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the Interconnection.

The Interconnection System Impact Study shall provide a list of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Reliability Network Upgrades that are required as a result of the Interconnection Request along with a non-binding good faith estimate of cost responsibility and the amount of construction time required.

ii) Interconnection Facilities Study.

(1) Scope and Purpose of the Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement, and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study technical analyses in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Distribution or Transmission System. The Interconnection Facilities Study shall also identify (i) the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. [The Interconnection Facilities Study will update, as necessary, analyses performed in the Interconnection System Impact Study to account for withdrawal of interconnection requests from the interconnection queue.](#)

(Continued)

Attachment B

Section Reference	Description
Definitions	Adds, modifies and deletes definitions to conform to tariff revisions. In the current Rule 21, the detailed study agreement is called the Independent Study Process Study Agreement. In this revision, SCE proposes to rename the agreement the Detailed Study Agreement and subsequently revise it so that it can be used for either the Independent Study Process (ISP) or DGSP. Therefore, a new definition was added and the old defined term was deleted.
D.13.a	Conforming change.
E.2.b.i	Clarifying change.
Table E.1	Corrects the reference to the defined term and deletes a blank row in table.
E.3	Clarifying change.
E.3.a.i	Corrects the reference to the defined term and other conforming changes.
E.3.a.ii – iii	Corrects the reference to the defined term.
E.4.e	Adds language that explains cost responsibility and cost allocation for Applicants in the DGSP.
E.5.c	Corrects a typo and adds description of queue position determination for projects in the DGSP.
E.5.d	Clarifies that applicants apply to either Fast Track or Detailed Study. The subheadings were deleted so that the roman numerals are correct.
F.1.c	Clarifying addition.
F.3.a, first ¶	The deleted language is not needed since an Applicant that wishes to go directly to the Transmission Cluster Study Process would apply to the WDAT per F.3.c.
F.3.a, second ¶	The deleted language is not needed since an Applicant that fails Screen Q is withdrawn from Rule 21.
F.3.a, third ¶	Moves a sentence from Section F.3.a, fourth ¶ to Section F.3.a, third ¶.
F.3.a, fourth ¶	Adds language to address the situation where a single developer submits multiple applications at the same time in the same area and wants them all studied together. Rather than requiring one application go through the ISP while the others wait until the ISP is complete, the added language permits them all to be studied in a DGSP.
F.3.a, fifth and sixth ¶	The deleted language was moved to other locations in the same section.
F.3.b	Deletes existing DGSP provisions.
F.3.b.i, first ¶	Conforming changes.

Section Reference	Description
F.3.b.i, second ¶	At the scoping meeting parties will discuss the next DGSP start date.
F.3.b.i, fifth ¶	Changes name of study agreement.
F.3.b.ii	Sets forth the start date, the formation of Distribution Groups and the eligibility to be included in a DGSP. A 30 day time period is needed prior to the start of a DGSP to allow Applicants time to provide executed agreements. The section also reflects other conforming changes.
F.3.b.iii, F.3.b.iv	Conforming changes.
F.3.b.v	Conforming changes, and also: slightly modifies timing for Applicant to submit modifications to ensure that no single Applicant in a DGSP could delay other Applicants in the DGSP.
F.3.b.vi	Conforming changes, and also: corrects references to defined terms and slightly modifies timing to ensure that no single Applicant in a DGSP could delay other Applicants in the DGSP.
F.3.b.vii	Conforming changes, and also: corrects references to defined terms and adds a process for waiving Facilities Study to ensure that no single Applicant in a DGSP could delay other Applicants in the DGSP. Last sentence is deleted because the exact same sentence appears earlier in the paragraph.
F.3.b.viii, first, second and fourth ¶	Conforming changes, and also clarifies existing requirements to commence a Facilities Study.
F.3.b.viii, third ¶	The deleted language is redundant to language in F.3.e.i.
F.3.b.ix	The deleted language is redundant to language in F.3.e.i.
F.3.b.x	Conforming changes.
F.3.b.xi	Adds language that defines what happens when an Interconnection Request (IR) in a group study is withdrawn or the Generator Interconnection Agreement (GIA) is terminated.
F.3.b.xii	Adds language that explains how restudies will be conducted upon withdrawal of an IR or termination of a GIA.
F.3.b.xiii	Adds language that incorporates timeframe extensions based on a spike in the volume of projects currently being studied, provided the volume exceeds a minimum threshold. Timeframe extensions are temporary and revert back to original timeframes if the volume increase represents a new status quo.
F.3.d.i, F.3.d.ii	Changes the name of the study agreement.
F.3.d.viii	Conforming language to F.3.b.viii.

Section Reference	Description
F.3.e.i	Adds language to ensure that no single Applicant in a DGSP could delay other Applicants in the DGSP.
F.3.e.ii	Adds language to clarify that upgrades shared by IRs in a DGSP must be funded such that the facilities are available for the Applicant with the earliest Commercial Operation Date.
F.3.e.iii	Conforming changes, and also adds language to ensure that an extension by one Applicant won't affect the shared upgrades.
F.4.a	Corrects typos.
F.4.e.i(3)	Conforming changes.
F.4.e.i(5)	Adds language that minimizes cost increases to remaining IRs in a Distribution Group when an IR is withdrawn or a GIA is terminated.
G.3.c	Conforming changes.
G.3.c.ii(1)	Adds to the scope and purpose of the Interconnection Facilities Study: if an IR is withdrawn between the System Impact Study and Facilities Study, the upgrades will be re-evaluated in the Facilities Study.