INTERCONNECTION AGREEMENT GUIDELINES

GUIDELINES

An Interconnect Agreement (“IA”) is a legal agreement between the Owner/Operator of a Distributed Generation (“DG”) facility and the Owner/Operator of the distribution grid (Utility). The IA is intended to delineate the rules, roles, and responsibilities surrounding the construction and physical connection of a generation unit to the distribution grid and is unique from a Power Purchase Agreement (PPA), or any other agreements pertaining to a proposed DG facility.

HOW TO USE THIS DOCUMENT

This document provides an overview of interconnection agreement guidelines, then provides links to examples of interconnection agreements.

INTERCONNECT AGREEMENT GUIDELINES

The need for an interconnect agreement

In order to successfully interconnect, it is essential to unite the parties’ understanding of specific legal rights, responsibility ownership, and rules and standards by which the DG facility is to be constructed, connected, and operated. An interconnection agreement helps build this comprehensive understanding.

Questions to ask before creating an interconnect agreement

The following questions will help a identify an interconnection agreement that could be used or adapted to best meets its needs.

- What is the size of your solar system?
- Is your project front of the meter or behind the meter?
- What will the interconnection voltage be?
- Does the utility already have a standard interconnection agreement?

Best practices

The agreement is typically preceded by an initial application process and associated set of procedures by which the utility reviews and subsequently

approves or denies the proposed facility. There are some commonly held interconnection best practices, such as **IEEE 1574**, which are useful in referencing in an interconnect agreement.

Common components in an interconnect agreement:

In order to establish legal agreement on the construction, connection, and operation of a DG facility to the grid, the agreement must address several key components including, but not limited to:

- Point of Interconnection (POI)
- Responsibility for completion of installation, operations, and maintenance
- Compliance with National Electric Code, National Electrical Safety Code, PUC or other applicable installation and operation regulations
- Liability and Indemnification
- Testing records and procedures, including how the system will be brought online and managed.
- Rights of access
- Metering (net or otherwise)
- Effective Term and termination rights
- Rules, tariffs set forth by the Utility
- Termination of the agreement
- Disconnect

INTERCONNECTION AGREEMENT RESOURCES

- FERC Sample Small Generator Interconnection Agreement
- IEEE 1547 – Understand the IEEE 1547 Standard Revision to ensure compliance.

LEGAL NOTICE

This document and the associated guidelines are not intended to provide legal advice, which we recommend you seek on your own to ensure that the facts, circumstances, and state and local laws applicable to your procurement process are sufficiently addressed.