

## General Interconnection Process for Commercially-Sited Power Generating Facilities (Less than $1~\mathrm{MW_{ac}}$ Only)

This document is intended to provide an overview of the major steps involved with applying to and receiving permission from APS to interconnect a new commercial generating facility that is less than 1 MW in size and will operate in parallel with APS's electric distribution system.

Please read this document carefully as it summarizes the process, relevant documentation, major steps, and legal agreements that are necessary for such interconnection.

- 1. Customer reviews the overall process for interconnecting a new Generating Facility (GF) via:
  - This process checklist
  - Relevant documentation accessed through Commercial Interconnection section of the www.aps.com/dg website.
- 2. Customer reviews the available APS Rate Schedules and identifies the appropriate Rate Schedule intended for use with the GF.
  - It is recommended that the Customer request a consultation with APS to discuss the appropriate rate schedule.
  - For GFs that are receiving APS incentive funds: The APS Renewables group is available for consultation with respect to selection of an appropriate rate schedule. They can be contacted via the contact information provided through the following site:
    <a href="http://www-k.aps.com/main/green/choice/solar/default.html">http://www-k.aps.com/main/green/choice/solar/default.html</a>
  - For GFs that are not receiving APS incentive funds: APS's Renewable
     Energy Delivery team, accessed through the contact information provided
     via the <a href="https://www.aps.com/dg">www.aps.com/dg</a> website, is available for rate schedule
     consultation.
- 3. Customer reviews the requirements under APS's standard Interconnection Agreement (Non-FERC, < 1 MW), posted on Commercial Interconnections section of the <a href="https://www.aps.com/dg">www.aps.com/dg</a> website.
- 4. Customer prepares the initial design of the commercially installed Generating Facility (GF) and ensures technical compliance of the design with APS's Interconnection Requirements posted on Commercial Interconnections of the <a href="https://www.aps.com/dg">www.aps.com/dg</a> website.

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- 5. Customer submits the GF design to the local permitting authority (generally the City or County), frequently referred to as the "Authority Having Jurisdiction" (AHJ)
- 6. Customer corrects deficiencies in design (if any) that are identified by the AHJ
- 7. Customer secures approval from the AHJ in the form of a drawings stamped by the AHJ.
  - If the Customer is not under the jurisdiction of a permitting authority but instead acts as its own permitting authority (such as certain colleges), this step may be waived.
- 8. Customer submits a completed **Interconnection Application** to APS along approved stamped AHJ diagrams. The appropriate Interconnection Application is available on the Commercial Interconnection section of the <a href="www.aps.com/dg">www.aps.com/dg</a> website.
  - Provide only those diagrams required by APS with the application, not a full construction set of drawings
  - All pages of AHJ-approved drawings must be stamped by the AHJ. Alternately, a copy of the permit is acceptable with at least one page stamped preferably the one line and/or three line
- 9. APS reviews Customer's interconnection design for compliance with APS Interconnection Requirements and provides written feedback to Customer.
- 10. Customer corrects deficiencies in design (if any) that are identified by APS.
  - Drawings do not have to be resubmitted to APS
  - The final installation must however be in compliance with all APS comments to the design or permission to electrically parallel with APS's system will not be granted.
- 11. APS sends the **Interconnection Agreement** to the Customer for signature. The Interconnection Agreement sets forth all of the legal terms and conditions that govern the interconnection of the project to APS's electric distribution system. For reference, APS's standard Interconnection Agreement for commercial facilities 1 MW and smaller is posted on the Commercial Interconnection section of the <a href="https://www.aps.com/dg">www.aps.com/dg</a> website.
- 12. Customer starts construction and installation of the Generating Facility with respect to Customer-installed facilities.
- 13. **Applicable for 12 kV and higher systems only:** Customer and APS prepare an **Operating Agreement** that sets forth the operating protocol for establishing safe electrical clearance of the project when it is in operation. Such an agreement is necessary to document the steps that the Customer must take to safely isolate his system electrically from APS's system, and vice-versa. The Operation Agreement is not typically provided on APS's website and must be provided by APS.

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- 14. Customer completes the installation of the dedicated phone line for the performance based incentive meter. This allows APS to remotely monitor the production of the GF.
- 15. Customer requests inspection from AHJ.
- 16. AHJ inspects the GF and issues a Green Tag that the GF is approved for operation.
  - If the Customer is not under the jurisdiction of a permitting authority but instead acts as its own permitting authority (such as certain colleges), Customer shall prepare and notarize a "Letter in Lieu of Electrical Clearance" and provide it to APS. Such form shall be substantially in the form of the Letter in Lieu example provided "Resources and FAQs" on the Commercial Interconnection section of the www.aps.com/dg website.
- 17. Once a copy of the Green Tag or Letter in Lieu has been delivered to APS (commercial-renewables@aps.com), Customer may request the following:
  - Final Inspection from APS
  - Installation of new APS meters to be installed
  - APS meters are typically installed within 5 days of Customer's request.
- 18. APS installs the meters.
- 19. APS and Customer execute the **Operating Agreement** (if applicable, 12 kV only)
- 20. APS and Customer execute the **Interconnection Agreement (this is required** before the site inspection is scheduled).
- 21. APS conducts on-site final inspection of the GF.
- 22. APS provides a Conditional Permission to Parallel or a Final Permission to Parallel via email or letter. Such permission will only be granted if <u>ALL</u> of the following milestones have been met:
  - Green Tag or Letter in Lieu delivered to APS
  - Interconnection and Operating Agreements executed
  - Dedicated phone line serving the PBI is installed and operational and the phone number has been provided to APS.
  - All material items from the punch list from the APS final inspection report that are required for interconnection have been remedied. (Non-material items may be completed after interconnection but are required for the Final Permission to parallel).
- 23. Once conditional permission to parallel is granted, Customer may electrically energize the GF **and initiate commercial operation**.
- 24. Customer completes all non-material items from punch list.
- 25. APS issues Final Permission to Parallel letter to Customer.

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