

WN U-28

Substitute Original Sheet 65

AVISTA CORPORATION
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SCHEDULE 65
INTERCONNECTION STANDARDS
WASHINGTON

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(1) **Definitions:** See WAC 480-108-010.

(2) **Applicability:**

(a) **Tier 1.** Interconnection of a generating facility will use Tier 1 processes and technical requirements if the proposed generating facility meets all of the following criteria:

- i. Uses inverter-based interconnection equipment;
- ii. Is single phase;
- iii. Has a nameplate capacity of 25 kW or less;
- iv. Is proposed for interconnection at secondary voltages (600 V class);
- v. Requires no construction or upgrades to Company facilities, other than meter changes;
- vi. The aggregated generating capacity on the service wire does not exceed the service wire capability;
- vii. The aggregated generating capacity on the transformer secondary does not exceed the nameplate of the transformer;
- viii. If proposed to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 5 kVA; and
- ix. The aggregated nameplate capacity of all generating facilities on any line section does not exceed fifteen percent of the line section annual peak load as most recently measured or calculated for that line section, or fifteen percent of the circuit annual peak load as most recently measured or calculated for the circuit. For the purposes of this subsection:
 - A. "All generating facilities" means all interconnected generating facilities, the proposed generating facility, and all other proposed generating facilities already in the queue defined in WAC 480-108-030(7); and
 - B. "Line section" means that portion of an electric system connected to the generating facility and bounded by sectionalizing devices or the end of the distribution line.

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SCHEDULE 65 – INTERCONNECTION STANDARDS – continued

(b) **Tier 2.** Interconnection of a generating facility will use Tier 2 processes and technical requirements if the proposed generating facility meets all of the following criteria:

- i. It does not qualify for Tier 1 interconnection applicability requirements;
- ii. Has a nameplate capacity of 500 kW or less;
- iii. Is proposed for interconnection to an electric system distribution facility operated at or below 38 kV class;
- iv. Is not a synchronous generator;
- v. If it is proposed to be interconnected on a shared secondary, the aggregate generating capacity on the shared secondary, including the proposed generating facility, must not exceed the lesser of the service wire capability or the nameplate of the transformer;
- vi. The aggregated nameplate capacity of all generating facilities on any line section does not exceed fifteen percent of the line section annual peak load as most recently measured or calculated for that line section, or fifteen percent of the circuit annual peak load as most recently measured or calculated for the circuit. For the purposes of this subsection:
 - A. "All generating facilities" means all interconnected generating facilities, the proposed generating facility, and other proposed generating facilities already in the queue defined in WAC 480-108-030(7); and
 - B. "Line section" means that portion of an electric system connected to the generating facility and bounded by sectionalizing devices or the end of the distribution line;
- vii. Any upgrades required to the electric system must fall within the requirements in WAC 480-108-020(2)(b)(ii);
- viii. For interconnection of a proposed generating facility to the load side of spot network protectors, the proposed generating facility must utilize an inverter. The aggregate nameplate capacity of all inverter-based systems must not exceed the smaller of five percent of a spot network's maximum load or 50 kW;
- ix. The aggregated nameplate capacity of existing and proposed generating facilities must not contribute more than ten percent to the distribution circuit's maximum fault current at the point on the primary voltage distribution line nearest the point of interconnection; and
- x. The generating facility's point of interconnection must not be on a circuit where the available short circuit current, with or without the proposed generating facility, exceeds 87.5 percent of the interrupting capability of the Company's protective devices and equipment (including substation breakers, fuse cutouts, and line reclosers).

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SCHEDULE 65 – INTERCONNECTION STANDARDS – continued

(c) **Tier 3.** Interconnection of a generating facility will use Tier 3 processes and technical requirements if the proposed generating facility does not qualify for Tier 1 or Tier 2.

(3) **Technical requirements:** See WAC 480-108-020(2)

(a) **Tier 1 Disconnect Switch Credit -** If the Interconnection Customer chooses to install a visible, lockable AC disconnect switch the Company will give the Customer a credit of \$150 to offset a portion of the cost to install the production meter.

(4) **Application process and timelines:** See WAC 480-108-030.

(a) **Application fees.** Interconnection customers will be charged an application fee of \$100 for facilities 0 to 25 KW, \$500 for facilities 26 – 500 KW, and \$1,000 for facilities 501 kW – 20 MW. The application fee shall be paid to the Company when the interconnection customer submits its application. If an application is withdrawn, the application fee shall be applied to a request for reapplication submitted within thirty business days of the withdrawal.

(5) **General conditions:** See WAC 480-108-040

(6) **Completion of interconnection process.**

The interconnection process is complete and the generating facility can begin operation when:

(a) The interconnection customer and the Company execute an interconnection agreement;

(b) The interconnection customer provides, and the Company issues written approval for, a certificate of completion demonstrating:
i. The receipt of any required electrical and building permits, and installation in compliance with electrical and local building codes;
ii. Installation in compliance with the technical requirements for interconnection in this chapter;
iii. Inspection and approval of the system by the electrical inspector having jurisdiction over the installation.

(c) All required agreements with the balancing area authority having jurisdiction, and all agreements covering the purchase, sale or transport of electricity and provision of any ancillary services have been completed and signed by all parties;

(d) **Witness test.** If required by the Company, a representative of the Company witnesses and approves the operation of the generating facility in accordance with the requirements of this chapter; and

(e) All requirements and conditions of the interconnection agreement have been satisfied and permission granted by the Company to proceed with commercial operation.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

Schedule 65 – Referenced Agreements and Certificates:

500 kW and smaller

- 1. 0 kW to 500 kW - Interconnection Process
- 2. 0 kW to 500 kW - Requirement A - WUTC Application
- 3. 0 kW to 500 kW - Requirement B - Interconnection Agreement
- 4. 26 kW to 500 kW - Requirement C - Feasibility Study Agreement
- 5. 0 kW to 500 kW - Requirement D - Certificate of Completion

Greater than 500 kW to 20 MW

- 1. Greater than 500 kW to 20 MW - Interconnection Process
- 2. Greater than 500 kW to 20 MW - Attachment 2 - Requirement A - Interconnection Request
- 3. Greater than 500 kW to 20 MW - Attachment 3 - Requirement B - Feasibility Study Agreement
- 4. Greater than 500 kW to 20 MW - Attachment 4 - Requirement C - System Impact Study Agreement
- 5. Greater than 500 kW to 20 MW - Attachment 5 - Requirement D - Facilities Study Agreement
- 6. Greater than 500 kW to 20 MW - Requirement E - Construction Agreement (SEE REQUIREMENT F, Interconnection Agreement)
- 7. Greater than 500 kW to 20 MW - Attachment 6 - Requirement F - Interconnection Agreement
- 8. Greater than 500 kW to 20 MW - Attachment 7 - Requirement G - Certificate of Completion

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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AVISTA CORPORATION
WASHINGTON STATE JURISDICTIONAL
INTERCONNECTION PROCESS AND STANDARDS
FOR
GENERATING FACILITIES
OF
500 KILOWATTS OR LESS

Version History

Version	Version Date	Action	Change Tracking	Reviewed by
0	March 1, 2006	Documentation Development	New	
1	October 8, 2007	Revision	Coordinated w/ agreement	Transmission Services
2	January 18, 2008	Revision	Reconciled w/ WAC	Transmission Services
3	October 2013	Revision	Reconciled w/WAC	Transmission Services

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 October 2013

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Washington State Jurisdictional Interconnection Process and Standards
For
Generating Facilities 500 kW or Less

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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**WASHINGTON STATE JURISDICTIONAL INTERCONNECTION
PROCESS AND STANDARDS
FOR
GENERATING FACILITIES
500 KILOWATTS OR LESS**

I. General Conditions

This document states the general conditions and requirements and technical specifications for the safe and reliable operation of interconnected generating facilities, 500 kW or less in capacity, that are intended to generate energy to serve all or a part of the customer's load or for purchase by Avista (hereinafter referred to as "the Company"), the Company.

This document does not govern the settlement, purchase or delivery of any power generated by the Interconnection Customer's Generating Facility. The purchase or delivery of power, including Net Metering of electricity pursuant to chapter 80.60 RCW, power purchases and sales to PURPA qualifying facilities pursuant to chapter 480-107 WAC, and other services that the Interconnection Customer may require will be covered by separate agreement or pursuant to the terms, conditions and rates as may be from time to time approved by the Commission. Any such agreement shall be completed prior to Initial Operation and filed with the Commission.

Please note that the following documents are referenced in this document:

1. **0kW to 500kW – Requirement A – Application**
2. **0kW to 500kW – Requirement B – Interconnection Agreement**
3. **26kW to 500kW – Requirement C – Feasibility Study Agreement**
4. **0kW to 500kW – Requirement E – Certificate of Completion**

Note: Capitalized terms shall have the meaning of the word as defined in Section IV, Definitions.

A. Electrical Generating Systems (500 kW and Smaller)

Any electrical Generating Facility with a maximum nameplate capacity rating of 500 kW or less must comply with these conditions to be eligible to interconnect and operate in parallel with the Company's Electric System. The conditions under this Section I apply to all generating facilities that are intended to operate in parallel with the Company's Electric System irrespective of whether the Interconnection Customer intends to generate energy to serve all or a part of the Interconnection Customer's load; or to sell the output to the Company or any third party purchaser.

B. Interconnection Application

Each customer seeking to interconnect qualifying generation shall fill out and submit an application form to the Company. Information must be accurate, complete, and approved by the Company prior to interconnecting the Generating Facility.

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The Company shall stamp all interconnection Applications to document the date and time received. The original date and time stamp affixed to the interconnection Application will serve as the beginning point for purposes of any timetables in the application and review process.

Upon receipt of an interconnection Application, the Company shall notify the Interconnection Customer within five Business Days that the Application was received. Within ten Business Days from the notice of receipt the Company will notify the Interconnection Customer regarding whether the interconnection Application is complete or incomplete. If the Application is incomplete, the Company shall provide a written list detailing all additional information necessary to complete the application. The Interconnection Customer must supply the necessary information or request an extension of time within fifteen Business Days of the notice of incomplete Application. If the Interconnection Customer does not provide, within fifteen Business Days of the notice of incomplete Application, the listed information necessary to complete the application or request an extension of time, the Company may reject the application. The Company may, but is not required to, grant an extension of time in writing.

C. Application Fees

Interconnection Customers will be charged an interconnection Application fee of \$100 for Generating Facilities from 0 kW to 25 kW. Customers will be charged an interconnection Application fee of \$500 for Generating Facilities from 26 kW to 500 kW.

D. Application Prioritization

All generation interconnection Applications for facilities 500 kW or less from customers will be prioritized by the Company based on the date of receipt of Interconnection Customer's complete Application. The Company will process the application and provide Interconnection in a time frame consistent with the average of other service connections.

E. Interconnection Agreement

Prior to Interconnection all qualifying customers shall obtain a Certificate of Completion and sign an appropriate Interconnection Agreement. This Agreement between the Company and the Interconnection Customer outlines the interconnection standards and on-going maintenance and operation requirements.

F. Unauthorized Connections

For the purposes of public and working personnel safety, any non-approved generation Interconnections discovered will be immediately disconnected from the Company Electric System.

G. Technical Specifications

All technical specifications are contained in Section IV. The Interconnection Customer shall promptly furnish the Company with copies of any plans, specifications, records, and other information relating to the Generating Facility

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or the ownership, operation, use, Company access to, or maintenance of the Generating Facility, as may be reasonably requested by the Company from time to time.

H. Dedicated Distribution Transformer

To ensure reliable service to all Company customers and to minimize possible problems for other customers, the Company will review the need for a dedicated distribution transformer for the Interconnection Customer. Interconnecting generation under 500 kW may require a separate transformer. If the Company requires a dedicated distribution transformer, the Interconnection Customer shall pay for all costs of the new transformer and related facilities.

I. Metering

Net Metering (for solar, wind, hydropower fuel cells and facilities that simultaneously produce electricity and useful thermal energy as set forth in chapter 80.60 RCW):

The Company will install, own and maintain a kilowatt-hour meter, or meters as the installation may determine, capable of registering the bi-directional flow of electricity at the point of common coupling at a level of accuracy that meets all applicable standards, regulations and statutes. The meter(s) may measure such parameters as time of delivery, power factor, voltage and such other parameters as the Company specifies. The Interconnection Customer must provide space for metering equipment. The Interconnection Customer must provide the current transformer enclosure (if required), meter socket(s) and junction box after the Interconnection Customer has submitted drawings and equipment specifications for Company approval. The Company may approve other generating sources for Net Metering but is not required to do so.

Production Metering:

The Company may require separate metering, including, if necessary for safety or reliability, metering capable of being remotely accessed, for production. This meter shall record all generation produced and may be billed separately from any Net Metering or customer usage metering. Costs associated with production metering will be paid by the Interconnection Customer.

Production Metering Incentive:

Upon completion of interconnection the Company will provide required documentation for the Interconnection Customer to receive Renewable Generation Incentive as described in the WAC 458-20-273. When Company receives complete Renewable Generation Incentive documentation and certification of the Interconnection Customer's generating system from the Department of Revenue, the Company will distribute Renewable Generation Incentive annually.

J. Labeling

Common labeling furnished or approved by the Company and in accordance with NEC (Articles 690 and 705) requirements must be posted on the meter base,

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disconnects, and transformers informing working personnel that generation is operating at or is located on the premises.

K. Insurance & Liability

As currently set forth for qualifying generation under chapter 80.60 RCW (Net Metering) and WAC 480-108 (Interconnection Standards), no additional insurance will be necessary for Interconnections that qualify for Net Metering or that have a nameplate under 100 kW.

For all other Interconnection Customers, additional liability limitations and indemnification may be required. If required, additional insurance, limitations of liability and indemnification will be determined by the Company and provided to the interconnection customer prior to execution of the Interconnection Agreement. Qualifying generation must meet these interconnection standards and maintain compliance with these standards during operation.

The Interconnection Customer is responsible for protecting its facilities, loads and equipment and complying with the requirements of all appropriate standards, codes, statutes and authorities.

L. Future Modification or Expansion

The Company must review and approve any future modification or expansion of an interconnected Generating Facility. The Company may require the Interconnection Customer to provide and pay for corrections or additions to existing Interconnection Facilities if government or industry regulations and standards are modified. The Company must notify the Interconnection Customer in writing of any such requirement. The Company may terminate Interconnection service if the Interconnection Customer does not within thirty Business Days of the date of the notice arrange with the Company a mutually agreed schedule to comply with such requirements.

The Interconnection Customer is responsible for costs associated with future upgrades or modification to its Generating Facility or Interconnection Facilities made necessary by modifications the Company makes to its Electric System.

M. Avista System Capacity

For the overall safety and protection of the Avista system, the Interconnection of generation for Net Metering is limited to 0.5% of Avista's peak load in 1996 after December 31, 2013. Additionally, Interconnection of qualified generation to individual distribution feeders will be limited to 15% of the circuit's (feeder's) peak load. However, it is at the discretion of Avista to allow additional generation Interconnection beyond these stated limits.

N. Equipment Protection

It is the responsibility of the Interconnection Customer to protect its facilities, loads and equipment and comply with the requirements of all appropriate standards, codes, statutes and authorities.

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O. Interconnection Costs

Additional costs above and beyond the application fee, if any, shall be cost based and applied as appropriate. For example, costs may be incurred for transformers, production meters, and Company testing, qualification, studies and approval of non UL 1741 listed equipment.

P. Safety

To ensure system safety and reliability of interconnected operations, all interconnected generating facilities must be constructed and operated in accordance with this Section I and all other applicable federal, state, and local laws and regulations.

Q. Certificate of Completion

Prior to Initial Operation, all Interconnection Customers must submit a completed Certificate of Completion to the Company, execute an appropriate Interconnection Agreement and any other agreement(s) required for the disposition of the Generating Facility's electric power output. The Interconnection Agreement between the Company and the Interconnection Customer outlines the interconnection standards, cost allocation and billing agreements, and on-going maintenance and operation requirements.

R. Disconnection

The Interconnection Customer may disconnect the Generating Facility at any time after providing reasonable advance notice to the Company.

The Company has the right to disconnect the Generating Facility:

- (i) When necessary to maintain safe electrical operating conditions;
- (ii) If the Generating Facility does not meet required standards; or
- (iii) If the Generating Facility at any time adversely affects or endangers any person, the property of any person, the Company's operation of its Electric System or the quality of the Company's service to other customers.

Reasonable notice of disconnect will be provided by Company after unscheduled disconnection.

S. Transfer of Ownership

The Interconnection Customer must provide notice of sale or transfer of the Interconnection Customer's Generating Facility, Interconnection Facilities or the premises upon which the Interconnection Facilities are located to the Company within 30 days. To continue Interconnection service to a new owner, the new owner will be required to execute a new Interconnection Agreement with the Company.

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T. Dispute Resolution

An Interconnection Customer may ask the Commission to review an Company's study costs, interconnection facility costs, system upgrade costs, deposit requirements, assignment of costs to the Interconnection Customer or an Company's processing, termination, denial or rejection of an application by making an informal complaint under WAC 480-07-910, or by filing a formal complaint under WAC 480-07-370.

II. Eligibility

A. Tier 1 – Generating Facilities from 0 kW to 25 kW

Interconnection of a generating facility will use Tier 1 processes and technical requirements if the proposed generating facility meets all of the following criteria:

- i. Uses inverter-based interconnection equipment;
- ii. Is single phase;
- iii. Has a nameplate capacity of 25 kW or less;
- iv. Is proposed for interconnection at secondary voltages (600 V class);
- v. Requires no construction or upgrades to electrical company facilities, other than meter changes;
- vi. The aggregated generating capacity on the service wire does not exceed the service wire capability;
- vii. The aggregated generating capacity on the transformer secondary does not exceed the nameplate of the transformer;
- viii. If proposed to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 5 kVA; and
- ix. The aggregated nameplate capacity of all generating facilities on any line section does not exceed fifteen percent of the line section annual peak load as most recently measured or calculated for that line section, or fifteen percent of the circuit annual peak load as most recently measured or calculated for the circuit. For the purposes of this subsection:
 - a. "All generating facilities" means all interconnected generating facilities, the proposed generating facility, and all other proposed generating facilities already in the queue defined in WAC 480-108-030(7); and
 - b. "Line section" means that portion of an electric system connected to the generating facility and bounded by sectionalizing devices or the end of the distribution line.

B. Tier 2 – Generating Facilities from 26 kW to 500 kW

Interconnection of a generating facility will use Tier 2 processes and technical requirements if the proposed generating facility meets all of the following criteria:

- i. It does not qualify for Tier 1 interconnection applicability requirements;
- ii. Has a nameplate capacity of 500 kW or less;
- iii. Is proposed for interconnection to an electric system distribution facility operated at or below 38 kV class;
- iv. Is not a synchronous generator;

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- v. If it is proposed to be interconnected on a shared secondary, the aggregate generating capacity on the shared secondary, including the proposed generating facility, must not exceed the lesser of the service wire capability or the nameplate of the transformer;
- vi. The aggregated nameplate capacity of all generating facilities on any line section does not exceed fifteen percent of the line section annual peak load as most recently measured or calculated for that line section, or fifteen percent of the circuit annual peak load as most recently measured or calculated for the circuit. For the purposes of this subsection:
 - a. "All generating facilities" means all interconnected generating facilities, the proposed generating facility, and other proposed generating facilities already in the queue defined in WAC 480-108-030(7); and
 - b. "Line section" means that portion of an electric system connected to the generating facility and bounded by sectionalizing devices or the end of the distribution line;
- vii. Any upgrades required to the electric system must fall within the requirements in subsection (IV)(D)(2)(ii) of this section;
- viii. For interconnection of a proposed generating facility to the load side of spot network protectors, the proposed generating facility must utilize an inverter. The aggregate nameplate capacity of all inverter-based systems must not exceed the smaller of five percent of a spot network's maximum load or 50 kW;
- ix. The aggregated nameplate capacity of existing and proposed generating facilities must not contribute more than ten percent to the distribution circuit's maximum fault current at the point on the primary voltage distribution line nearest the point of interconnection; and
- x. The generating facility's point of interconnection must not be on a circuit where the available short circuit current, with or without the proposed generating facility, exceeds 87.5 percent of the interrupting capability of the electrical company's protective devices and equipment (including substation breakers, fuse cutouts, and line reclosers).

III. Interconnection Process

A. Review Process for Generating Facilities from 0 kW to 25 kW:

Once an Application is accepted by the Company as complete, the Company will review the Application to determine if the proposed interconnection complies with the eligibility and technical standards contained herein and determines if the proposed interconnection is within the individual circuit (feeder) limit as described in Section I(M). The Company must notify the Interconnection Customer of the result of these determinations within twenty Business Days of when the application is deemed complete.

If the Company notifies the Interconnection Customer that the request complies with the eligibility and technical requirements contained herein, the Company shall offer the Interconnection Customer an executable Interconnection Agreement with such notification. The Company shall also provide any

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additional interim agreements, such as construction agreements, that may be necessary and a good faith estimate of the cost and time necessary to complete the Interconnection. The Interconnection Customer must execute and return the completed agreement(s) within thirty Business Days following receipt. The Interconnection Customer must simultaneously pay any additional costs required by the Company to complete the Interconnection.

The Interconnection Customer must interconnect and operate the Generating Facility within one year from the date of approval of the application, or the application expires, unless the Company, in its sole discretion, grants an extension in writing.

B. Review Process for Generating Facilities from 26 kW to 500 kW:

Once an Application is accepted by the Company as complete, the Company will review the Application to determine if the proposed interconnection complies with the eligibility and technical standards contained herein and to determine whether any additional engineering, safety, reliability or other studies are required. The Company must notify the Interconnection Customer of the result of these determinations within thirty Business Days of when the application is deemed complete.

If the Company notifies the Interconnection Customer that the request complies with the technical requirements established in WAC 480-108-020 and no additional studies are required to determine the feasibility of the Interconnection, the Company shall offer the Interconnection Customer an executable Interconnection Agreement within five Business Days of such notification. The Company shall also provide any additional interim agreements, such as construction agreements, that may be necessary and a good faith estimate of the cost and time necessary to complete the Interconnection. The Interconnection Customer must execute and return the completed agreement(s) within thirty Business Days following receipt. The Interconnection Customer must simultaneously pay any additional costs required by the Company to complete the Interconnection.

If the Company determines that additional studies are required to determine the feasibility of the Interconnection, the Company shall notify the Interconnection Customer within thirty Business Days of when the application is deemed complete and shall provide the Interconnection Customer a form of agreement that includes a description of what studies are required and a good faith estimate of the cost and time necessary to perform the studies. After the Company and the Interconnection Customer agree on the estimated cost of the required studies Interconnection Customer must execute and return the completed agreement within thirty Business Days along with any costs required by the Company.

The Company will provide the Interconnection Customer with the results of the studies within a reasonable time period consistent with time requirements for the studies and other service requests of a similar magnitude. If the studies determine

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that the interconnection is not feasible, the Company will provide notice of denial to the Interconnection Customer and the reasons for the denial.

If the studies conducted during the Review Process determine that the interconnection is feasible, the Company shall notify the Interconnection Customer and provide an executable Interconnection Agreement to the Interconnection Customer within five Business Days of such notification. The Company shall also provide any additional interim agreements, such as construction agreements, that may be necessary and a good faith estimate of the cost and time necessary to complete the interconnection. The Interconnection Customer must execute and return the completed agreement(s) within thirty Business Days following receipt. The Interconnection Customer must simultaneously pay any costs required by the Company to complete the interconnection.

The Interconnection Customer must interconnect and operate the Generating Facility within one year from the date of approval of the application, or the application expires, unless the Company, in its sole discretion, grants an extension in writing.

C. Withdrawal

An Interconnection Customer's failure to execute and return completed agreements and required deposits within the time frames specified in this section may result in termination of the application process by the Company under terms and conditions stated in such agreements.

The Interconnection Customer shall be responsible for all reasonable costs incurred by the Company to study the proposed Interconnection and to design, construct, operate and maintain any required Interconnection Facilities or system upgrades all as required under the charges, terms and conditions stated in the study agreement(s) and Interconnection Agreement required above.

IV. Technical Specifications

This Section sets forth the technical specifications and conditions that must be met to interconnect non-Company-owned electric generation, 500 kW or less, for parallel operation with the distribution system of the Company.

A. General Interconnection Requirements

1. The terms, conditions, and technical requirements listed herein shall apply to the Interconnection Customer and Generating Facility throughout the period encompassing the Interconnection Customer's installation, testing and commissioning, operation, maintenance, decommissioning and removal of said equipment. The Company may verify compliance at any time, with reasonable notice.
2. Any Generating Facility proposing to interconnect with the Company Electric System or any proposed change to a Generating Facility that

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requires modification to an existing interconnection agreement must meet all applicable terms, conditions and technical requirements, as set forth in the following documents and standards and requirements in this Section in their most current approved version at the time of interconnection.

- 3. The terms, conditions, and technical requirements listed herein are intended to mitigate possible adverse impacts caused by the Generating Facility on the Company's equipment and personnel and on other customers of the Company. They are not intended to address protection of the Generating Facility or its internal load, or Generating Facility personnel. The Interconnection Customer is responsible for complying with the requirements of all appropriate standards, codes, statutes, and authorities to protect its own facilities, personnel, and loads.
- 4. The Company may refuse to establish or maintain interconnection with any Interconnection Customer that fails to comply with the requirements in (a), (b), (c), and (d) of this subsection. However, at its sole discretion, the Company may approve alternatives that satisfy the intent of, and/or may excuse compliance with, any specific elements of these requirements except local, state and federal building codes.
 - a. **Code and Standards.** All interconnections must conform to all applicable codes and standards for safe and reliable operation. Among these are the National Electric Code (NEC); National Electric Safety Code (NESC); the standards of the Institute of Electrical and Electronics Engineers (IEEE); the standards of the North American Electric Reliability Corporation (NERC); the standards of the Western Electricity Coordinating Council (WECC); American National Standards Institute (ANSI); Underwriters Laboratories (UL) standards; local, state and federal building codes, and any Company's written electric service requirement approved by the Commission. The Company may require verification that an Interconnection Customer has obtained all applicable permit(s) for the equipment installations on its property.
 - b. **Safety.** All safety and operating procedures for Interconnection Facilities must comply with the Occupational Safety and Health Administration (OSHA) Standard at 29 CFR 1910.269, the NEC, Washington Administrative Code (WAC) rules, the Washington Industrial Safety and Health Administration (WISHA) Standard, and equipment manufacturer's safety and operating manuals.
 - c. **Power quality.** Installations must be in compliance with all applicable standards including, without limitation, IEEE Standard 519 Harmonic Limits, and IEEE Standard 141 Flicker as measured at the PCC.
 - d. **Power factor.** Generating Facility must be designed so that when it is operating in parallel with the Electric System it shall operate at a power factor within .95 leading and .95 lagging.

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- 5. Any electrical generating facility must comply with this chapter to be eligible to interconnect and operate in parallel with the electric system. These specifications and standards shall apply to all interconnecting generating facilities that are intended to operate in parallel with the electric system regardless of whether the interconnection customer intends to generate energy to serve all or a part of the interconnection customer's load; or to sell the output to the electrical company or any third party purchaser.
- 6. In order to ensure system safety and reliability of interconnected operations, all interconnected Generating Facilities shall be constructed, operated and maintained by the Interconnection Customer in accordance with this section, with the Interconnection Agreement, with the applicable manufacturer's recommended maintenance schedule and operating requirements, good electric company practice, and all other applicable federal, state, and local laws and regulations.
- 7. This section does not govern the settlement, purchase, sale, transmission or delivery of any power generated by the Interconnection Customer's Generating Facility. The purchase, sale or delivery of power, including net metered electricity pursuant to chapter 80.60 RCW, and other services that the Interconnection customer may require will be covered by a separate agreement or pursuant to the terms, conditions and rates as may be from time to time approved by the commission. Separate agreements may be required with the electrical company, the balancing area authority or transmission provider, or other party but not necessarily with the Company. Any such agreement shall be complete prior to initial operation.
- 8. An Interconnection Customer shall promptly furnish the Company with copies of such plans, specifications, records, and other information relating to the generating facility or the ownership, operation, use, or maintenance of the generating facility, as may be reasonably requested by the Company from time to time.

B. Inverter Based Interconnection Requirements, as Applicable

If an inverter is utilized, the inverter must be certified by an independent, nationally recognized testing laboratory to meet the requirements of UL 1741. Inverters certified to meet the requirements of UL 1741 must use undervoltage, overvoltage, and over/under frequency elements to detect loss of electrical company power and initiate shutdown.

C. Non-Inverter Based Interconnection Requirements

The Interconnection Customer shall comply with the following requirements for non-inverter based interconnections. At its sole discretion, the Company may

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approve alternatives that satisfy the intent of, and/or may excuse compliance with, any specific elements of the requirements contained in this Section.

The Application for such Interconnection may require more detailed review, testing, and approval by the Company, at the Interconnection Customer's cost, of the equipment proposed to be installed to ensure compliance with applicable standards. The applicable standards that the Interconnection Customer shall comply with for non-inverter based interconnections include:

- IEEE Std 1547-2003 Standard for Interconnecting Distributed Resources with Electric Power Systems.
- ANSI Standard C37.90, IEEE Standard for Relays and Relay Systems Associated with Electric Power Apparatus.
- Interconnection Customers proposing non-inverter-based interconnections may also be required to submit a power factor mitigation plan for Company review and approval.

D. Specific Interconnection Requirements

1. Tier 1 - Generating Facilities from 0 kW to 25 kW

- i. The purpose of the protection required for Tier 1 generating facilities is to prevent islanding and to ensure that inverter output is disconnected when the electric system is deenergized.
- ii. An interrupting device must be provided which is capable of safely interrupting the maximum available fault current (typically the maximum fault current is that supplied by the electrical company).
- iii. The Generating Facility must operate within the voltage and power factor ranges specified by the electrical company and as allowed by Underwriters Laboratories standard (UL) 1741.
- iv. **Disconnect switch.** Unless the Washington state department of labor and industries requires a visible, lockable AC disconnect switch, the Company shall not require a visible, lockable AC disconnect switch for Interconnection Customers installing and operating an inverter-based UL 1741 certified system interconnected through a self-contained socket-based meter of 320 amps or less. If the Interconnection Customer chooses to install a visible, lockable AC disconnect switch the Company will give the customer a credit of \$150 to offset the cost to install the production meter.

2. Tier 2 - Generating Facilities from 26 kW to 500 kW

- i. In all cases, the interconnection facilities must isolate the Generating Facility from the electric system as specified by IEEE 1547, and the Interconnection Agreement. The Interconnection customer shall prevent its Generating Facility equipment from automatically reenergizing the electric system as specified by IEEE 1547, and the Interconnection Agreement. For inverter-based systems, the interconnecting facility must

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- comply with IEEE 1547, UL 1741 and the Interconnection Agreement set forth by the Company. For non-inverter based systems a separate protection package will be required as described in section IV (C).
- ii. If the Generating Facility fails to meet the characteristics for Tier 2 applicability, but the Company determines that the Generating Facility could be interconnected safely if minor modifications to the transmission or distribution system were made (for example, changing meters, fuses, or relay settings), then the Company may offer the Interconnection Customer a good-faith, nonbinding estimate of the costs of such proposed minor modifications. If the Interconnection Customer authorizes the Company to proceed with the minor modifications and agrees to pay the entire cost of the modifications, then the Company may approve the application using Tier 2 processes and technical requirements.
 - iii. For proposed Generating Facilities 50 kW and greater, three-phase connection may be required by the Company.
 - iv. For three-phase induction generator interconnections, the Company may, in its sole discretion, specify that ground fault protection must be provided. Use of ground overvoltage or ground overcurrent elements may be specified, depending on whether the Company uses three-wire or effectively grounded four-wire systems.
 - v. If the Generating Facility is single-phase and interconnected on a center tap neutral of a 240 volt service, it must not create an imbalance between the two sides of the 240 volt service of more than 5 kW.
 - vi. If the Generating Facility is proposed for interconnection at primary (greater than 600 V class) distribution voltages, the connection of the transformer(s) used to connect the Generating Facility to the electric system must be the Company's standard connection. This is intended to limit the potential for creating overvoltages on the electric system for a loss of ground during the operating time of functions designed to prevent islanding.
 - vii. For primary-voltage connections to three-phase, three-wire systems, the transformer primary windings must be connected phase to phase.
 - viii. For primary-voltage connections to three-phase, four-wire systems, the transformer primary windings may be connected phase to neutral.
 - ix. **Disconnect switch.**
 - a. Except as provided in subsections b., c., and d. of this subsection, the Generating Facility must include a visible, lockable AC disconnect switch. The Company shall have the right to disconnect the generating facility at a UL listed disconnect switch to meet Company operating safety requirements.
 - b. The Company may waive the visible, lockable disconnect switch requirement for an inverter-based system.
 - c. To maintain Company operating and personnel safety in the absence of an external disconnect switch, the Interconnection Customer shall agree that the Company has the right to disconnect electric service through other means if the Generating Facility must be physically disconnected for any reason, without liability to the Company. These actions to disconnect the Generating Facility

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(due to an emergency or maintenance or other condition on the electric system) will result in loss of electrical service to the customer's facility or residence for the duration of time that work is actively in progress. The duration of outage may be longer than it would otherwise have been with an AC disconnect switch.

- d. In the absence of an external disconnect switch, the Interconnection Customer is required to operate and maintain the inverter in accordance with the manufacturer's guidelines, and retain documentation of commissioning. In the absence of such documentation the Company may, with 5 days' notice and at the Interconnection Customer's expense, test or cause to be tested the inverter to ensure its continued operation and protection capability. The person that tests the inverter shall provide documentation of the results to both the Company and the Interconnection Customer. Should the inverter fail the test, the Company may disconnect the Generating Facility, and require the Interconnection Customer to repair or replace the inverter. The cost of any such repair or replacement required by the Company shall be the sole responsibility of the Interconnection Customer.

V. Definitions

The following words and terms shall be understood to have the following meanings when used in the General Conditions and Technical Specifications of the Interconnection Standards.

Application: The written notice that the Interconnection Customer provides to the Company to initiate the interconnection process.

Business Day: Monday through Friday excluding official federal and state holidays.

Certificate of Completion: The form that must be completed by the Interconnection Customer and the electrical inspector and approved by the Company indicating completion of installation and inspection of the Interconnection.

Commission: The Washington Utilities and Transportation Commission.

Electric System: All electrical wires, equipment, and other facilities owned by the Company that are used to transmit electricity to customers.

Electrical Company: any public service company, as defined by RCW 80.04.010, engaged in the generation, distribution, sale or furnishing of electricity and subject to the jurisdiction of the commission.

Generating Facility: A source of electricity owned, or whose electrical output is owned, by the Interconnection Customer that is located on the Interconnection Customer's side of the point of common coupling, and all ancillary and appurtenant facilities, including

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(N)

Interconnection Facilities, which the Interconnection Customer requests to interconnect to the Company's Electric System.

Initial Operation: The first time the Generating Facility operates in parallel with the Electric System.

Interconnection: The physical connection of a Generating Facility to the Electric System so that parallel operation may occur.

Interconnection Customer: The person, corporation, partnership, government agency, or other entity that proposes to interconnect, or has executed an interconnection agreement with the electrical company. The interconnection customer must:

- (a) own a generating facility interconnected to the electric system,
- (b) be a customer-generator of net-metered facilities, as defined in RCW 80.60.010(2), or
- (c) otherwise be authorized to interconnect by law.

The interconnection customer is responsible for the generating facility, and may assign to another party responsibility for compliance with the requirements of this rule only with the express written permission of the electrical company. A net metered interconnection customer may lease a generating facility from, or purchase power from, a third-party owner of an on-site generating facility.

Interconnection Facilities: The electrical wires, switches and other equipment owned by the Company or the Interconnection Customer and used to interconnect a Generating Facility to the Electric System. Interconnection Facilities are located between the Generating Facility and the Point of Common Coupling. Interconnection Facilities do not include System Upgrades.

Islanding: The condition that occurs when power from the electric system is no longer present and the Generating Facility continues exporting energy onto the electric system.

Minor Modification: A physical modification to the electric system with a cost of no more than ten thousand dollars.

Nameplate Capacity: The manufacturer's output capacity of the Generating Facility. For a system that uses an inverter to change DC energy supplied to an AC quantity, the nameplate capacity will be the manufacturer's AC output rating for the inverter(s). Nameplate capacities shall be measured in the unit of kilowatts.

Net Metering: Measuring the difference between the electricity supplied by the Company and the electricity generated by the Generating Facility that is fed back to the Company over the applicable billing period.

Network Protectors: Devices installed on a spot network distribution system designed to detect and interrupt reverse current-flow (flow out of the network) as quickly as possible, typically within three to six cycles.

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(N)

Parallel Operation or Operate in Parallel: The synchronous operation of a Generating Facility while interconnected with a Company's Electric System.

Point of Common Coupling: The point where the Generating Facility's local electric power system connects to the Company's Electric System, such as the electric power revenue meter or at the location of the equipment designated to interrupt, separate or disconnect the connection between the Generating Facility and Company. The Point of Common Coupling is the point of measurement for the application of IEEE 1547, clause 4.

System Upgrades: The additions, modifications and upgrades to the Company's Electrical System at or beyond the Point of Common Coupling necessary to interconnect the Generating Facility. System Upgrades do not include Interconnection Facilities.

Third-party Owner: An entity that owns a generating facility located on the premises of an Interconnection Customer and has entered into a contract with the Interconnection Customer for provision of power from the Generating Facility. When a third-party owns a net-metered Generating Facility, the Interconnection Customer maintains the net metering relationship with the Company. The Company shall not allow a third-party owner to resell the electricity produced from a net metered Generating Facility.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

REQUIREMENT A - APPLICATION FOR INTERCONNECTION OF
COGENERATION OR SMALL POWER PRODUCTION ELECTRIC GENERATING
FACILITIES

500 KILOWATTS OR LESS

Customer or Company Name: _____
Contact Person: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Phone: _____ Fax: _____
Email Address: _____
Location of Proposed Power Generator: _____

Estimated Installation Date: _____ Estimated In-Service Date: _____

Type of Meter Installation (Choose only one):

- Net Metering Interconnection, or
- PURPA Interconnection
- Non-PURPA Interconnection

Proposed Generator Interconnection, Single or Three Phase _____, AC Volts _____

- New meter base connected to customer's electrical distribution panel, or
- New meter base and new connection to an existing Avista Utilities transformer.

If applicable, Engineering or Design Firm: _____
Contact Person _____ Phone _____

Solar PV Type:

Quantity of Solar PV Panels: _____ x Nominal Rating Watts (Each):= _____ Total Watts _

Solar Panel Manufacturer: _____, Model No. _____

Type of Array Mounting: Fixed Tracking

Inverter (Watts): _____ x # of Inverters: _____ = _____ Output (Watts)

Inverter Manufacturer: _____, Model No: _____

UL 1741 Listed: Yes No

Wind Turbine:

Est. Average Wind Speed at Location (if known): _____ mph.

Wind Turbine Manufacturer: _____, Model No.: _____

Rated Power Output, Watts: _____, at _____ mph Wind Speed.

Inverter Manufacturer: _____, Model No: _____

UL 1741 Listed: Yes No

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(N)

Other Generator:

Describe: _____

UL 1741 Listed: Yes No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing.

Notice of Voltage Irregularities:

Voltage may routinely be at the upper limits of the range described in WAC 480-100-373, five percent above the standard rated voltage, and this may limit the ability of a Generating Facility to export power to the electric system.

Phased Installations:

When a project is designed for phased installation, Customer must either submit one application for final project size or may choose to submit applications at each phase of the project. Individual applications will be evaluated based on nameplate capacity stated on application. Separate application fees are required for each individual application. If single application is used customer must notify the Company as each phase is completed. If multiple applications are used for project customer may not develop the project beyond the size approved in each individual application.

- Interconnection Application Fee (payable when the application is submitted for approval):** \$100 Non-Refundable Processing fee for 0 kW to 25 kW
- \$500 Non-Refundable Processing fee for 26 kW to 500 kW

Customer Signature:

I hereby certify that, to the best of my knowledge, the information provided in this Application is true.

_____ Title: _____ Date: _____

This application is only valid for Generating Facilities that meet the codes, standards, and certification requirements of Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less.

Please return this application to the Avista Utilities before purchasing and installing a power generator. All application documentation may be returned electronically to the email listed below, with the exception of the Interconnection Application Fee. Applications will not be reviewed until the Company receives the Interconnection Application Fee.

Avista Utilities
Dan Knutson MSC-24
Distribution Engineering
1411 E. Mission Ave.
Spokane, WA 99202-1902

All inquiries should be made to:
Dan Knutson
509-495-4204
dan.knutson@avistacorp.com
Website: www.AvistaUtilities.com

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

For Avista Utilities use only

New Transformer and Line Extension required: (Determined by Avista Utilities Engineer)

Yes No

Distribution list:

- Applicant
- Energy Services
- Customer Accounting
- Customer Service Engineering

Account Number: _____

Federal Tax ID: _____

Connection Fees Paid: _____ Check No. _____

Customer's Unified _____

Business Identifier: _____

Interconnection of the Small Generating Facility is approved contingent upon the Terms and Conditions for Net Energy Metering Connection Agreement for Customer Fuel Cell, Solar, Wind, or Hydropower Electric Generating Facilities of 500 kW or Less, and subject to the following conditions (if any):

Application received and approved by:

Name: _____

Signature: _____

Title: _____

Date: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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REQUIREMENT B - COGENERATION AND SMALL POWER PRODUCTION
GENERATOR INTERCONNECTION AGREEMENT

COGENERATION AND SMALL POWER PRODUCTION
ELECTRIC GENERATING FACILITIES OF 500 KILOWATTS OR LESS

This Cogeneration and Small Power Production Generator Interconnection Agreement is executed in duplicate this _____ day of _____, 200_ between _____ (hereinafter referred to as "Interconnection Customer"), and Avista Corporation (hereinafter referred to as "Interconnecting Utility"). This Agreement governs the terms and conditions under which the Interconnection Customer's Generating Facility will interconnect with, and Operate in Parallel with, the Interconnecting Utility's electric system. Both parties, who may be herein further referred to collectively as "Parties" and individually as "Party", agree as follows:

I. INTERCONNECTION CUSTOMER ELECTRIC GENERATING FACILITY

1. The Interconnection Customer has elected to operate a Generating Facility, with a generating capacity of not more than five hundred kilowatts, in parallel with the Interconnecting Utility's transmission and/or distribution facilities.
2. Arrangement for the sale of the output of the Interconnection Customer's electric generating facility is intended to be made under a separate agreement. Should the Interconnection Customer decide to offset part or all of the Interconnection Customer's retail load with the generator output, the Interconnection Customer shall execute a separate Net Metering Interconnection Agreement.
3. The Interconnecting Utility will not provide wheeling or other transfer services for the Interconnection Customer under this agreement.
4. The initial installation is identified by the Interconnecting Utility with the following designators: Transformer No. (feeder and phase) _____; Interconnection Customer's generator meter No. _____.
5. A separate agreement shall be entered into for each additional generation projects (as defined by site) installed at the Interconnection Customer's location(s) and in addition to the unit Generating Facility above.
6. The electrical Generating Facility used by the Interconnection Customer shall be located on the Interconnection Customer's premises. It shall include all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code (Articles 690 and 705), National Electrical Safety Code, American National Standards Institute, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and Avista's Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less in effect at the time of construction, and other applicable national and state codes and standards, as set forth in the interconnection process.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 7. The Interconnecting Utility shall have the sole authority to determine which interconnection requirements set forth herein (included as Attachment B) are applicable to the Interconnection Customer's proposed Generating Facility.
- 8. Nothing in this Agreement is intended to affect any other agreement between the Interconnecting Utility and the Interconnection Customer.

II. PAYMENT FOR ENERGY

This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's generator output. The purchase or delivery of generator output and other service that the Interconnection Customer may require shall be covered under separate agreements, if any are needed. The Interconnection Customer shall be responsible for separately making all necessary arrangement for delivery of output.

III. INTERRUPTION OR REDUCTION OF DELIVERIES

- 1. The Interconnecting Utility may require the Interconnection Customer to interrupt or reduce deliveries when, pursuant to the Interconnecting Utility's sole determination:
 - a. necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or
 - b. the Interconnecting Utility determines that curtailment, interruption, or reduction is necessary because of emergencies, force majeure, or compliance with prudent electrical practices.
- 2. Whenever possible, the Interconnecting Utility shall give the Interconnection Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 3. Notwithstanding any other provision of this Agreement, if at any time the Interconnecting Utility determines that either:
 - a. the Generating Facility may endanger the Interconnecting Utility's personnel, or
 - b. the continued operation of the Interconnection Customer's generating facility may endanger the integrity of the Interconnecting Utility's electric system,

The Interconnecting Utility shall have the right to temporarily disconnect the Interconnection Customer's Generating Facility from the Interconnecting Utility's electric system. The Interconnection Customer's Generating Facility shall remain disconnected until such time as the Interconnecting Utility is satisfied that the condition(s) referenced in (a) or (b) of this section III.3 have been corrected.

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(N)

IV. INTERCONNECTION

1. The Interconnection Customer shall deliver energy to the Interconnecting Utility at a point other than on the Interconnection Customer's side of a retail load meter. [A Net Metering Interconnection agreement is required to allow energy delivery to the Interconnecting Utility on the Interconnection Customer's side of a retail meter.]
2. Interconnection Customer shall pay for designing, installing, inspecting, operating, and maintaining the electric generating facility in accordance with all applicable laws and regulations and shall comply with Interconnecting Utility's Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less set forth in the interconnection process.
 - a. The Interconnection Customer shall be responsible for the time and materials of all Interconnecting Utility design, materials and construction required to interconnect the Interconnection Customer's facilities.
 - b. The Interconnection Customer shall pay all invoiced amounts within 30 calendar days of the bill mailing date (the "Due Date"). If the Interconnection Customer fails to pay Interconnecting Utility the entire amount of any bill by the Due Date, the Interconnection Customer shall be assessed a charge for late payment equal to the lesser of one and one-half percent (1.5%) per whole or partial month, or the maximum rate allowed by the laws of the State of Washington per whole or partial month multiplied by the overdue amount.
3. The Interconnection Customer shall pay for the Interconnecting Utility's dedicated generator metering and electrical hook-up, if not already present.
4. The Interconnection Customer shall not commence Parallel Operation of the Generating Facility until written approval of the Interconnection Facilities has been given by the Interconnecting Utility. Such approval shall not be unreasonably withheld. The Interconnecting Utility shall have the right to have representatives present at the initial testing of the Interconnection Customer's protective apparatus. The Interconnection Customer shall notify the Interconnecting Utility when testing is to take place.

V. MAINTENANCE AND PERMITS

1. The Interconnection Customer shall:
 - a. maintain the electric Generating Facility and Interconnection Facilities in a safe and prudent manner and in conformance with all applicable laws and regulations including, but not limited to, Interconnecting Utility's Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities of 500 Kilowatts or Less, and

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(N)

- b. obtain any governmental authorizations and permits required for the construction and operation of the electric Generating Facility and Interconnection Facilities, including electrical permit(s), and
- c. reimburse the Interconnecting Utility for any and all losses, damages, claims, penalties, or liability it incurs as a result of the Interconnection Customer's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of the Interconnection Customer's generating facility or failure to maintain the Interconnection Customer's generating facility as required in (a) of this Section V.

VI. ACCESS TO PREMISES

- 1. The Interconnecting Utility may enter the Interconnection Customer's premises or property to:
 - a. inspect, with prior notice, at all reasonable hours, the Interconnection Customer's generating facility's protective devices; and
 - b. read metering equipment; and
 - c. disconnect at the Interconnecting Utility's meter or transformer, without notice, the generating facilities if, in the Interconnecting Utility's sole determination, a hazardous condition exists and such immediate action is necessary to protect persons, or the Interconnecting Utility's facilities, or property of others from damage or interference caused by the Interconnection Customer's electric Generating Facilities, or lack of properly operating protective devices or inability to inspect the same.

VII. INDEMNITY AND LIABILITY

- 1. The Interconnection Customer assumes the risk of all damages, loss, cost and expense and agrees to indemnify the Interconnecting Utility, its successors and assigns, and its respective directors, officers, employees and agents, from and against any and all claims, losses, costs, liabilities, damages and expenses including, but not limited to, reasonable attorney fees, resulting from or in connection with performance of this agreement or which may occur or be sustained by the Interconnecting Utility on account of any claim or action brought against the Interconnecting Utility for any reason including but not limited to loss to the electrical system of the Interconnection Customer caused by or arising out of an electrical disturbance.
- 2. Such indemnity, protection, and hold harmless includes any demand, claim, suit or judgment for damages, death or bodily injury to all persons, including officers, employees or agents, and subcontractors of either Party hereto including payment made under or in connection with any Worker's Compensation Law or under any plan for employees' disability and death benefits or property loss which may be

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caused or contributed to by the connection, maintenance, operation, use, presence, or removal of the Interconnection Customer's equipment. The only exception will be liability occasioned by the sole negligence or willful misconduct of the Interconnecting Utility or its employees acting within the scope of their employment and liability occasioned by a partial negligence of the Interconnecting Utility or its employees acting within the scope of their employment to the extent that such partial liability is fixed by a court of competent jurisdiction.

- 3. The provisions of Section VII shall not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any insurance policy.
- 4. The Interconnecting Utility shall have no liability, ownership interest, control or responsibility for the Interconnection Customer's electric Generating Facility or its interconnection with the Interconnecting Utility's electric system, regardless of what the Interconnecting Utility knows or should know about the Interconnection Customer's electric Generating Facility or its Interconnection.
- 5. The Interconnection Customer recognizes that it is waiving immunity under Washington Industrial Insurance law, Title 51 RCW, and further agrees that this indemnification clause has been mutually negotiated. This indemnification shall extend to and include attorney's fees and the costs of establishing the right of indemnification hereunder in favor of the Interconnecting Utility.

VIII. INSURANCE

- 1. For interconnections of generating facilities over 100 kW, the Interconnection Customer shall maintain, during the term of this Agreement, General Comprehensive Personal Liability Insurance for personal injury and property damage. The amount of the insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made.. Such insurance shall, by endorsement to the policy or policies, provide for thirty (30) calendar days written notice to the Interconnecting Utility prior to cancellation, termination, attention, or material change of such insurance.
- 2. The Interconnecting Utility shall be named as an additionally insured party and shall have the right to inspect or obtain a copy of the original policy or policies of insurance.

IX. INDEPENDENT CONTRACTORS

The Parties hereto are independent contractors and shall not be deemed to be partners, joint ventures, employees, franchisees or franchisers, servants or agents of each other for any purpose whatsoever under or in connection with this Agreement.

0 kW to 500kW – Requirement B – Interconnection Agreement
October 2013

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Issued December 13, 2013

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AVISTA CORPORATION
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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

X. GOVERNING LAW

This Agreement shall be interpreted, governed, and constructed under the laws of the State of Washington as if executed and to be performed wholly within the State of Washington. Venue of any action arising hereunder or related to this agreement shall lie in Spokane County, Washington.

XI. FUTURE MODIFICATION OR EXPANSION

Any future modification or expansion of the Interconnection Customer's Generating Facility shall require engineering review and approval by the Interconnecting Utility. The Interconnecting Utility reserves the right to require the Interconnection Customer, at the Interconnection Customer's expense, to provide modifications or additions to existing electrical devices including, but not limited to, protection devices and meters, in the event of changes to government or industry regulation and/or standards. Additional agreements may also need to be executed.

XII. AMENDMENTS, MODIFICATIONS OR WAIVER

Any amendments or modifications to this Agreement shall be in writing and agreed to by both Parties. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, shall be deemed to be construed as a further or continuing waiver of any such breach or waiver of the breach of any other term or covenant unless such waiver is in writing.

XIII. ASSIGNMENT

The Interconnection Customer shall not assign its rights under this Agreement without the express written consent of the Interconnecting Utility, which shall not be unreasonably withheld. The Interconnecting Utility may impose reasonable conditions on any such assignment to ensure that all of the Interconnection Customer's obligations under this Agreement are met and that none of the Interconnection Customer's obligations under this Agreement are transferred to the Interconnecting Utility as a result of default, bankruptcy, or any other cause.

XIV. ATTACHMENTS

The Interconnection Customer's Application for Interconnection of Cogeneration or Small Power Production Electric Generating Facilities of 500 Kilowatts or Less is Requirement A

0 kW to 500kW – Requirement B – Interconnection Agreement
October 2013

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

Interconnecting Utility's Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities of 500 Kilowatts or Less is hereby incorporated as Attachment B to this agreement.

XV. NOTICES

Any written notice or request made to the Interconnecting Utility under this Agreement shall be directed to:

Attention: Manager, Transmission Services
Avista Corporation
1411 E Mission Ave
Spokane, WA 99202-1902

Any written notice or request made to the Interconnection Customer under this Agreement shall be directed to:

Attention: _____

XVI. EFFECTIVE DATE AND TERM OF AGREEMENT

1. "Effective Date" – This Agreement shall become effective upon execution by both Parties subject to acceptance by any regulatory body of competent jurisdiction (if applicable). The Interconnecting Utility shall promptly file this Agreement with any regulatory body of competent jurisdiction upon execution, if required.
2. Term of Agreement – This Agreement shall remain in effect for a period of ten (10) years from the Effective Date unless terminated in accordance with the Termination provision of this Agreement. This Agreement shall remain in effect beyond the initial ten-year period unless affirmatively terminated in writing upon thirty (30) calendar days prior notice by either Party to the other Party.
3. Early Termination – The Interconnection Customer may terminate this Agreement at any time by providing thirty (30) calendar day's prior written notice to the Interconnecting Utility.
4. No termination shall become effective until the Parties have complied with all laws and regulations applicable to such termination, including the filing with any regulatory body of competent jurisdiction of a notice of termination of this Agreement (if required), which notice has been accepted for filing by the regulatory body of competent jurisdiction.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

- 5. Upon termination of this Agreement, the Interconnection Customer will be disconnected from the Interconnecting Utility's electric system. All costs required to effect such disconnection shall be borne by the terminating Party.
- 6. The termination of this Agreement shall not relieve either Party of its liabilities and obligations owed or continuing at the time of the termination.
- 7. The provisions of this Section shall survive termination or expiration of this Agreement.

XVII. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives.

INTERCONNECTION CUSTOMER

By: _____
 Name: _____
 Title: _____
 Signed this ____ day of _____, 20__

AVISTA CORPORATION

By: _____
 Name: _____
 Title: _____
 Signed this ____ day of _____, 20__

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

REQUIREMENT C - FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a _____ existing under the laws of the State of _____, ("Interconnecting Utility"). Interconnection Customer and Interconnecting Utility each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility between 26 kW and 500 kW or generating capacity addition to an existing Generating Facility consistent with the Interconnection Application completed by Interconnection Customer on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Interconnecting Utility's Electric System; and

WHEREAS, Interconnection Customer has requested the Interconnecting Utility to perform a feasibility study to assess the feasibility of interconnecting the proposed Generating Facility with the Interconnecting Utility's Electric System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less.
- 2.0 The Interconnection Customer elects and the Interconnecting Utility shall cause to be performed an interconnection feasibility study consistent the process outlined in the Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less.
- 3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Application. The Interconnecting Utility reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the Washington State Jurisdictional Interconnection Process and Standards for Generating Facilities 500 Kilowatts or Less. If the Interconnection Customer modifies its Interconnection Application, the time to complete the feasibility study may be extended by agreement of the Parties.
- 5.0 In performing the study, the Interconnecting Utility shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.
- 6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Generating Facility as proposed:
 - 6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - 6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - 6.3 Initial review of grounding requirements and electric system protection; and
 - 6.4 Description and non-bonding estimated cost of facilities required to interconnect the proposed Generating Facility and to address the identified short circuit and power flow issues.
- 7.0 The feasibility study shall model the impact of the Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Generating Facility is being installed.
- 8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.
- 9.0 A deposit of the lesser of 50 percent of good faith estimated feasibility study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

feasibility study must be completed and the feasibility study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Interconnecting Utility's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Interconnecting Utility shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

Avista Corporation

By: _____
[Insert Printed Name]

Title: _____

Date: _____

Interconnection Customer

By: _____
[Insert Printed Name]

Title: _____

Date: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment A to
Feasibility Study Agreement**

ASSUMPTIONS USED IN CONDUCTING THE FEASIBILITY STUDY

The feasibility study will be based upon the information set forth in the Interconnection Application and agreed upon in the scoping meeting held on _____:

- 1) Designation of Point of Interconnection and configuration to be studied.

- 2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Interconnecting Utility.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**REQUIREMENT D - CERTIFICATE OF COMPLETION –
WASHINGTON STATE JURISDICTIONAL GENERATING FACILITY 500
KILOWATTS OR LESS**

Interconnection Customer: _____

Contact Person: _____

Address: _____

Date the Application Form for Generating Facilities 500 Kilowatts or Less was approved by the Interconnecting Utility _____

Electric Inspection (Required on ALL Generator Installations):

Customer shall not commence parallel operation of the Generating Facility until Customer obtains all governmental authorizations and permits required for the construction and operation of the electric Generating Facility and connection facilities, including electrical permit(s). All generating facilities must obtain an electrical permit, pass electrical inspection and be inspected by Interconnecting Utility personnel before they can be connected or operated in parallel with the Interconnecting Utility's electrical distribution system.

Electrical Permit number: _____

Is the Generating Facility owner-installed? Yes _____ No _____

If no, provide the following information:

Name of Licensed Electrician who performed the work: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Completed by Local Electrical Wiring Inspector or Attach Signed Electrical Inspection

I hereby state that the Generating Facility has been installed and passed inspected for compliance with the local building/electrical code on _____

Signed (Local electrical wiring inspector): _____

Print Name: _____

Date: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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**INTERCONNECTION SERVICE TARIFF
FOR STATE JURISDICTIONAL GENERATING FACILITIES
(Larger Than 500 kW, but no Larger Than 20 MW)**

Greater Than 500 kW to 20 MW – Interconnection Process
October 2013

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Other Documents Referenced in this Document:

- Attachment 2 – State Jurisdictional Small Generator Interconnection Request (Requirement A)
- Attachment 3 – Feasibility Study Agreement (Requirement B)
- Attachment 4 – System Impact Study Agreement (Requirement C)
- Attachment 5 – Facilities Study Agreement (Requirement D)
- Attachment 6 – Interconnection Agreement (Requirement F)
- Attachment 7 – Certificate of Completion (Requirement G)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Section 1. Interconnection Request

1.1 Applicability

- 1.1.1 A request to interconnect a Generating Facility larger than 500 kW but no larger than 20 MW, shall be evaluated under Section 2 of this study process.
- 1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of these procedures.
- 1.1.3 Prior to submitting its Interconnection Request (Attachment 2), the Interconnection Customer may ask the Transmission Provider’s interconnection contact employee or office whether the proposed Interconnection is subject to these procedures. The Transmission Provider shall respond within fifteen (15) Business Days.
- 1.1.4 References in these procedures to interconnection agreement are to the 500 kW to 20 MW, Non-PURPA Small Generator Interconnection and Construction Agreement (SGIA).

1.2 Pre-Application

The Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Transmission Provider’s Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Transmission Provider’s Electric System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Transmission Provider shall comply with reasonable requests for such information.

1.3 Interconnection Request

The Interconnection Customer shall submit its Interconnection Request to the Transmission Provider, together with the application fee specified in the application. The Interconnection Request shall be date- and time-stamped upon receipt. The original date- and time-stamp applied to the Interconnection Request at the time of its original submission shall be accepted as the qualifying date- and time-stamp for the purposes of any timetable in these procedures. The Interconnection Customer shall be notified of receipt by the Transmission Provider within five (5) Business Days of receiving the Interconnection Request. The Transmission Provider shall notify the Interconnection Customer within ten (10) Business Days of the receipt of the Interconnection Request as to whether the Interconnection Request is complete or incomplete. If the Interconnection Request is incomplete, the Transmission Provider shall provide along with the notice that the Interconnection Request is incomplete, a written list of deficiencies and detailing all

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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information that must be provided to complete the Interconnection Request. The Interconnection Customer will have thirty (30) Business Days after receipt of the notice to submit the listed information or to request an extension of time to provide such information. The Transmission Provider may, but is not required to, grant an extension in writing. If the Interconnection Customer does not provide the listed information or a request for an extension of time within the deadline, the Interconnection Request will be deemed withdrawn. An Interconnection Request will be deemed complete upon submission of the listed information to the Transmission Provider.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Small Generating Facility not agreed to in writing by the Transmission Provider and the Interconnection Customer may be deemed a withdrawal of the Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken.

1.5 Site Control

Documentation of site control must be submitted with the Interconnection Request. Site control may be demonstrated through:

- 1.5.1 Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility;
- 1.5.2 An option to purchase or acquire a leasehold site for such purpose; or
- 1.5.3 An exclusivity or other business relationship between the Interconnection Customer and the entity having the right to sell, lease, or grant the Interconnection Customer the right to possess or occupy a site for such purpose.

1.6 Queue Position

The Transmission Provider shall assign a Queue Position based upon the date the Company sends a notice of complete application to the Interconnection Customer. The Queue Position of each Interconnection Request will be used to determine the cost responsibility for the Upgrades necessary to accommodate the interconnection. The Transmission Provider shall maintain a single queue per geographic region. At the Transmission Provider's option, Interconnection Requests may be studied serially or in clusters for the purpose of the system impact study.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Section 2. Study Process

2.1 Applicability

The Study Process shall be used by an Interconnection Customer proposing to interconnect its Generating Facility with the Transmission Provider's Transmission System if the Generating Facility is larger than 500 kW MW but no larger than 20 MW.

2.2 Scoping Meeting

2.2.1 A scoping meeting will be held within ten (10) Business Days after the Interconnection Request is deemed complete, or as otherwise mutually agreed to by the Parties. The Transmission Provider and the Interconnection Customer will bring to the meeting personnel, including system engineers and other resources as may be reasonably required to accomplish the purpose of the meeting.

2.2.2 The purpose of the scoping meeting is to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The Parties shall further discuss whether the Transmission Provider should perform a feasibility study or proceed directly to a system impact study, or a facilities study, or an interconnection agreement. If the Parties agree that a feasibility study should be performed, the Transmission Provider shall provide the Interconnection Customer, as soon as possible, but not later than five (5) Business Days after the scoping meeting, a feasibility study agreement (Attachment 3) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study. If the Transmission Provider determines no additional studies are needed, it shall provide an interconnection agreement within five (5) Business Days.

2.2.3 The scoping meeting may be omitted by mutual agreement. In order to remain in consideration for interconnection, an Interconnection Customer who has requested a feasibility study must return the executed feasibility study agreement within thirty (30) Business Days. If the Parties agree not to perform a feasibility study, the Transmission Provider shall provide the Interconnection Customer, no later than five (5) Business Days after the scoping meeting, a system impact study agreement (Attachment 4) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

2.3 Feasibility Study

2.3.1 The feasibility study shall identify any potential adverse system impacts that would result from the interconnection of the Small Generating Facility.

2.3.2 A deposit of the lesser of 50 percent of the good faith estimated feasibility study costs or earnest money of \$1,000 may be required from the Interconnection Customer.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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2.3.3 The scope of and cost responsibilities for the feasibility study are described in the attached feasibility study agreement (Attachment 3). Within thirty Business Days of receiving notice that a feasibility study is required the Interconnection Customer may supply an alternative cost estimate from a third-party qualified to perform the studies required by the Company if the Interconnection Customer disputes the cost estimate of the feasibility study from the Company.

2.3.4 If the feasibility study shows no potential for adverse system impacts, the Transmission Provider shall send the Interconnection Customer a facilities study agreement, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study. Upon completion of the facilities study, the Transmission Provider shall send the Interconnection Customer an executable interconnection agreement within five (5) Business Days, if no additional facilities are required and fifteen (15) Business Days if system upgrade are required. The electrical company also will provide any additional interim agreements, such as construction agreements, that may be necessary and a good faith estimate of the cost and time necessary to complete the interconnection,

2.3.5 If the feasibility study shows the potential for adverse system impacts, the review process shall proceed to the appropriate system impact study(s).

2.4 System Impact Study

2.4.1 A system impact study shall identify and detail the electric system impacts that would result if the proposed Small Generating Facility were interconnected without project modifications or electric system modifications, focusing on the adverse system impacts identified in the feasibility study, or to study potential impacts, including but not limited to those identified in the scoping meeting. A system impact study shall evaluate the impact of the proposed interconnection on the reliability of the electric system.

2.4.2 If no system impact study is required for the Transmission System, but potential electric power Distribution System adverse system impacts are identified in the scoping meeting or shown in the feasibility study, a distribution system impact study must be performed. The Transmission Provider shall send the Interconnection Customer a distribution system impact study agreement within fifteen (15) Business Days of transmittal of the feasibility study report, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, or following the scoping meeting if no feasibility study is to be performed.

2.4.3 In instances where the feasibility study or the distribution system impact study shows potential for Transmission System adverse system impacts, within five (5) Business Days following transmittal of the feasibility study report, the Transmission Provider shall send the Interconnection Customer a transmission system impact study agreement, including an outline of the scope of the study and

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

a non-binding good faith estimate of the cost to perform the study, if such a study is required.

- 2.4.4 If a transmission system impact study is not required, but electric power Distribution System adverse system impacts are shown by the feasibility study to be possible and no distribution system impact study has been conducted, the Transmission Provider shall send the Interconnection Customer a distribution system impact study agreement.
- 2.4.5 If the feasibility study shows no potential for Transmission System or Distribution System adverse system impacts, the Transmission Provider shall send the Interconnection Customer either a facilities study agreement (Attachment 5), including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, or an executable interconnection agreement, as applicable. Upon completion of the facilities study, the Transmission Provider shall send the Interconnection Customer an executable interconnection agreement within five (5) Business Days, if no additional facilities are required and fifteen (15) Business Days if system upgrade are required. The electrical company also will provide any additional interim agreements, such as construction agreements, that may be necessary and a good faith estimate of the cost and time necessary to complete the interconnection,
- 2.4.6 In order to remain under consideration for Interconnection, the Interconnection Customer must return executed system impact study agreements, if applicable, within thirty (30) Business Days.
- 2.4.7 A deposit of the lesser of 50 percent of the good faith estimated system study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 2.4.8 The scope of and cost responsibilities for a system impact study are described in the attached system impact study agreement. Within thirty Business Days of receiving notice that a system impact study is required the Interconnection Customer may supply an alternative cost estimate from a third-party qualified to perform the studies required by the Company if the Interconnection Customer disputes the cost estimate of the system impact study from the Company.

2.5 Facilities Study

- 2.5.1 Once the required system impact study(s) is completed, a system impact study report shall be prepared and transmitted to the Interconnection Customer along with a facilities study agreement within five (5) Business Days, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the facilities study. In the case where one or both impact studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.

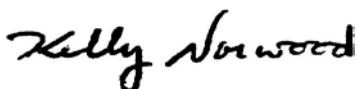
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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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- 2.5.2 In order to remain under consideration for interconnection, or, as appropriate, in the Transmission Provider's interconnection queue, the Interconnection Customer must return the executed facilities study agreement within thirty (30) Business Days.
- 2.5.3 The 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 system impact study(s).
- 2.5.4 Design for any required Interconnection Facilities and/or Upgrades shall be performed under the facilities study agreement. The Transmission Provider may contract with consultants to perform activities required under the facilities study agreement. The Interconnection Customer and the Transmission Provider may agree to allow the Interconnection Customer to separately arrange for the design of some of the Interconnection Facilities. In such cases, facilities design will be reviewed and/or modified prior to acceptance by the Transmission Provider, under the provisions of the facilities study agreement. If the Parties agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met, the Transmission Provider shall make sufficient information available to the Interconnection Customer in accordance with confidentiality and critical infrastructure requirements to permit the Interconnection Customer to obtain an independent design and cost estimate for any necessary facilities.
- 2.5.5 A deposit of the lesser of 50 percent of the good faith estimated facilities study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 2.5.6 The scope of and cost responsibilities for the facilities study are described in the attached facilities study agreement. Within thirty Business Days of receiving notice that a facilities study is required the Interconnection Customer may supply an alternative cost estimate from a third-party qualified to perform the studies required by the Company if the Interconnection Customer disputes the cost estimate of the facilities study from the Company.
- 2.5.7 Upon completion of the facilities study, and with the agreement of the Interconnection Customer to pay for Interconnection Facilities and Upgrades identified in the facilities study, the Transmission Provider shall provide the Interconnection Customer an executable interconnection agreement (Attachment 6) within five (5) Business Days, if no additional facilities are required and fifteen (15) Business Days if system upgrade are required. An Interconnection Customer must execute an interconnection agreement, and simultaneously pay any deposit required by the Transmission Provider not to exceed fifty percent of the estimated costs to complete the interconnection, within thirty (30) Business Days from the date of the tendered interconnection agreement. At the Transmission Provider's

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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discretion, an extension may be granted in writing. If the Transmission Provider must upgrade or construct new electric system facilities, the Interconnection Customer must meet the credit requirements of the Transmission Provider prior to the start of construction.

Section 3. Provisions that Apply to All Interconnection Requests

3.1 Reasonable Efforts

The Transmission Provider shall make reasonable efforts to meet all time frames provided in these procedures unless the Transmission Provider and the Interconnection Customer agree to a different schedule. If the Transmission Provider cannot meet a deadline provided herein, it shall notify the Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.

3.2 Disputes

An Interconnection Customer may ask the Commission to review a Transmission Provider's study costs, Interconnection Facility costs, System Upgrade costs, deposit requirements, assignment of costs to the Interconnection Customer or a Transmission Provider's processing, termination, denial or rejection of an application by making an informal complaint under WAC 480-07-910, or by filing a formal complaint under WAC 480-07-370.

3.3 Interconnection Metering

Any metering necessitated by the use of the Generating Facility shall be installed at the Interconnection Customer's expense in accordance with state or local regulatory requirements, or the Transmission Provider's specifications.

3.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The Transmission Provider must be given at least five (5) Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests.

The Interconnection Customer must begin operation of the Generating Facility within two years of the effective date of the Interconnection Agreement. At the Transmission Provider's discretion, an extension may be granted in writing.

3.5 Confidentiality

3.5.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of these procedures all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed confidential information regardless of whether it is clearly marked or otherwise designated as such.

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3.5.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by governmental authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce these procedures. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under these procedures, or to fulfill legal or regulatory requirements.

3.5.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

3.5.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

3.5.3 Requests from a state regulatory body conducting a confidential investigation shall be treated in a manner consistent with the applicable state rules and regulations.

3.6 Comparability

The Transmission Provider shall receive process and analyze all Interconnection Requests in a timely manner as set forth in this document. The Transmission Provider shall use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Small Generating Facility is owned or operated by the Transmission Provider, its subsidiaries or affiliates, or others.

3.7 Record Retention

The Transmission Provider shall maintain for three years records of all Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

3.8 Interconnection Agreement (Attachment 6)

After receiving an interconnection agreement from the Transmission Provider, the Interconnection Customer shall have thirty (30) Business Days or another mutually agreeable timeframe to sign and return the interconnection agreement. If the Interconnection Customer does not sign the interconnection agreement within thirty (30) Business Days, the Interconnection Request shall be deemed withdrawn. After the interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

3.9 Coordination with Affected Systems

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The Transmission Provider shall coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System operators and, if possible, include those results (if available) in its applicable interconnection study within the time frame specified in these procedures. The Transmission Provider will include such Affected System operators in all meetings held with the Interconnection Customer as required by these procedures. The Interconnection Customer will cooperate with the Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A transmission provider which may be an Affected System shall cooperate with the Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.10 Capacity of the Generating Facility

3.10.1 If the Interconnection Request is for an increase in capacity for an existing Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Small Generating Facility.

3.10.2 If the Interconnection Request is for a Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

3.10.3 The Interconnection Request shall be evaluated using the maximum rated capacity of the Generating Facility.

3.11 Criteria

All Interconnections must comply with IEEE, NESC, NEC, North American Electric Reliability Corporation (NERC), Western Electric Coordinating Council (WECC) and other applicable safety and reliability standards.

The following documents will be applied to all Interconnection Requests:

- (1) The National Electrical Code is published by the National Fire Protection Association (NFPA).
- (2) National Electric Safety Code (NESC).
- (3) Institute of Electrical and Electronics Engineers (IEEE) Standard 1547, Standard for Interconnecting Distributed Resources with Electric Power Systems.
- (4) Institute of Electrical and Electronics Engineers (IEEE) Standard 929, Recommended Practice for Utility Interface of Photovoltaic (PV) Systems.
- (5) American National Standards Institute (ANSI) Standard C37.90, IEEE Standard for Relays and Relay Systems Associated with Electric Power Apparatus.
- (6) Institute of Electrical and Electronics Engineers (IEEE) Standard 519, Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems.

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- (7) Institute of Electrical and Electronics Engineers (IEEE) Standard 141, Recommended Practice for Electric Power Distribution for Industrial Plants.
- (8) Institute of Electrical and Electronics Engineers (IEEE) Standard 142, Recommended Practice for Grounding of Industrial and Commercial Power Systems.
- (9) Underwriters Laboratories (UL), including UL Standard 1741, Inverters, Converters, and Controllers for Use in Independent Power Systems.
- (10) Occupational Safety and Health Administration (OSHA) Standard at 29 CFR 1910.269.
- (11) Washington Industrial Safety and Health Administration (WISHA) Standard, chapter 296-155 WAC.

Additional Technical Requirements:

- (1) The Generating Facility must be designed to prevent a single point of failure from causing a loss of protective functions. This can be achieved by installing multiple discrete-function relays providing the required functions as a set, or by installing redundant multifunction devices, each of which provides all of the required functions.
- (2) Ground fault protection must be provided, unless waived by the Transmission Provider in writing. Use of ground overvoltage or ground overcurrent elements may be specified, depending on whether the Transmission Provider uses three-wire or effectively grounded four-wire systems.
- (3) Breaker failure detection must be provided, and secondary action initiated in the event that the interconnection breaker fails to clear for the trip condition, consistent with Transmission Provider practice. This may require installation of dual generator breakers tripped by similar interconnection relays, or a main and backup relay with the same functions and zones of protection, one of which trips the generator breaker and one which trips the main incoming breaker.

3.12 Ownership

Interconnection Customers must be responsible for all operation, maintenance and code compliance for facilities and equipment on the customer's side of the Point of Interconnection.

3.13 Certificate of Completion

Upon completion of interconnection, the Transmission Provider shall provide the Interconnection Customer an certificate of completion (Attachment 7) within five (5) Business Days.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 1 to 500 kW to 20 MW Interconnection Process

Glossary of Terms

Affected System – An electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

Application - The written notice as defined in WAC 480-108-030 that the interconnection customer provides to the Transmission Provider to initiate the interconnection process.

Business Day – Monday through Friday, excluding official federal and state holidays.

Certificate of Completion - The form described in WAC 480-108-050 that must be completed by the Interconnection Customer's electrical inspector and approved by the Company indicating completion of installation and inspection of the interconnection.

Commission - The Washington Utilities and Transportation Commission.

Default – The failure of a breaching Party to cure its Breach under the Small Generator Interconnection and Construction Agreement.

Distribution System – The Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades – The additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the transmission service necessary to effect the Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Electric System - All electrical wires, equipment, and other facilities owned by the Electrical Company that are used to transmit electricity to customers. Electric System includes the definition of Transmission System and Distribution System.

Electrical Company - Any public service company, as defined by RCW 80.04.010, engaged in the generation, distribution, sale or furnishing of electricity and subject to the jurisdiction of the commission.

FERC – The Federal Energy Regulatory Commission, or its successor.

Generating Facility - A source of electricity owned, or whose output is owned, by the Interconnection Customer that is located on the Interconnection Customer's side of the Point of Common Coupling, and all ancillary and appurtenant facilities, including Interconnection Facilities, which the Interconnection Customer requests to interconnect to the Electrical

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Company's System.

Good Utility Practice – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority – Any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Interconnection Customer, the Interconnection Provider, or any Affiliate thereof.

Initial Operation - The first time the Generating Facility is in Parallel Operation with the Electric System.

In-Service Date - The date on which the Generating Facility and any related facilities are complete and ready for service, even if the Generating Facility is not placed in service on or by that date.

Interconnection - The physical connection of a Generating Facility to the Electric System so that Parallel Operation may occur.

Interconnection Agreement – An agreement between an Electrical Company and the Interconnection Customer which outlines the interconnection requirements, costs and billing agreements, insurance requirements, and ongoing inspection, maintenance, and operational requirements.

Interconnection Customer – The person, corporation, partnership, government agency, or other entity that proposes to interconnect, or has executed an Interconnection Agreement with the Electrical Company. The Interconnection Customer must:

- (a) own a generating facility interconnected to the electric system,
- (b) be a customer-generator of net-metered facilities, as defined in RCW 80.60.010(2), or
- (c) otherwise be authorized to interconnect by law.

The Interconnection Customer is responsible for the Generating Facility, and may assign to another party responsibility for compliance with the requirements of this rule only with the express written permission of the Electrical Company. A net metered Interconnection Customer may lease a generating facility from, or purchase power from, a third-party owner of an on-site Generating Facility.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Interconnection Facilities – The Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small Generating Facility to the Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades. Interconnection Facilities includes the definition for interconnection facilities as defined by WAC 480-108.

Interconnection Request – The Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with the Transmission Provider's Transmission System. Interconnection Request includes the definition of Application.

Islanding - The condition that occurs when power from the electric system is no longer present and the Generating Facility continues exporting energy onto the electric system

Material Modification – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Minor Modification - A physical modification to the electric system with a cost of no more than ten thousand dollars.

Nameplate Capacity - The manufacturer's output capacity of the generating facility. For a system that uses an inverter to change DC energy supplied to an AC quantity, the nameplate capacity will be the manufacturer's AC output rating for the inverter(s). Nameplate capacities shall be measured in the unit of kilowatts.

NERC – The North American Electric Reliability Corporation, or its successor.

Network Protectors - Devices installed on a Spot Network Distribution System designed to detect and interrupt reverse current-flow (flow out of the network) as quickly as possible, typically within three to six cycles.

NWPP – The Northwest Power Pool, or its successor.

Operating Requirements – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, balancing area, or the Transmission Provider's requirements, including those set forth in the Small Generator Interconnection and Construction Agreement.

Parallel Operation (or Operate in Parallel) - The synchronous operation of a Generating Facility while interconnected with an Electrical Company's Electric System.

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Party or Parties – The Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

Point of Common Coupling- The point where the Generating Facility's local electric power system connects to the Electrical Company's Electric System, such as the electric power revenue meter or at the location of the equipment designated to interrupt, separate or disconnect the connection between the Generating Facility and Electrical Company. The Point of Common Coupling is the point of measurement for the application of IEEE 1547, clause 4.

Point of Interconnection – The point where the Interconnection Facilities connect with the Transmission Provider's Transmission System. Point of Interconnection includes the definition of Point of Common Coupling.

PURPA Qualifying Facility - A Generating Facility that meets the criteria specified by the Federal Energy Regulatory Commission (FERC) in 18 CFR Part 292 Subpart B and that sells power to an electrical company under chapter 480-107 WAC.

Queue Position – The order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider.

Reasonable Efforts – With respect to an action required to be attempted or taken by a Party under the Small Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Small Generating Facility – The Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. Small Generating Facility includes the definition of Generating Facility.

Study Process – The procedure for evaluating an Interconnection Request that includes the section 3 scoping meeting, feasibility study, system impact study, and facilities study.

System Upgrades - The additions, modifications and upgrades to the Electrical Company's Electrical System at or beyond the Point of Common Coupling necessary to facilitate the Interconnection of the Generating Facility. System Upgrades do not include Interconnection Facilities. System Upgrades may be Distribution Upgrades and/or Transmission Upgrades.

Tariff – The current tariffs, rates schedules and prices for the Electric Company under the jurisdiction of the Commission.

Third-Party Owner - An entity that owns a generating facility located on the premises of an interconnection customer and has entered into a contract with the Interconnection Customer for provision of power from the Generating Facility. When a third-party owns a net-metered generating facility, the Interconnection Customer maintains the Net Metering relationship with

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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the electrical company. The electrical company shall not allow a third-party owner to resell the electricity produced from a net metered Generating Facility.

Transmission Owner – The entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Small Generator Interconnection Agreement to the extent necessary.

Transmission Provider – The public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider. Transmission Provider includes the definition of Electrical Company.

Transmission System – The facilities owned, controlled or operated by the Transmission Provider or the Transmission Owner that are used to provide transmission service under the tariff.

Transmission Upgrades – The required additions and modifications to the Transmission Provider's Transmission System at or beyond the Point of Interconnection. Transmission Upgrades do not include Interconnection Facilities.

Upgrades – The required additions and modifications to the Transmission Provider's Electric System at or beyond the Point of Interconnection. Upgrades may be Transmission Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 2 to Interconnection Service Tariff for State Jurisdictional Generating Facilities

STATE JURISDICTIONAL SMALL GENERATOR
INTERCONNECTION REQUEST (REQUIREMENT A)
(Application Form)

Transmission Provider: AVISTA CORPORATION

Designated Contact Person: _____
Address: 1411 E. Mission
Spokane WA 99202-1902

Telephone Number: (509) 495-_____
FAX: (509) 495-_____
Email Address: _____@avistacorp.com

An Interconnection Request is considered complete when it provides all applicable and correct information required below. Per the Interconnection Service Tariff for State Jurisdictional Generating Facilities Section 1.5, documentation of site control must be submitted with the Interconnection Request.

Preamble and Instructions

An Interconnection Customer who requests a state jurisdictional interconnection must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the Transmission Provider.

Application Fee:

At the time of application an Interconnection Customer shall submit to the Transmission Provider an application fee of \$1,000 towards the cost of processing the application.

Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name: _____

Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Facility Location (if different from above): _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Alternative Contact Information (if different from the Interconnection Customer)

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Application is for: New Small Generating Facility
 Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe: _____

Will the Small Generating Facility be used for any of the following?

Net Metering? Yes No
To Supply Power to the Interconnection Customer? Yes No
To Supply Power to Others? Yes No

Requested Point of Interconnection: _____

Interconnection Customer's Requested In-Service Date: _____

Small Generating Facility Information

Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: Solar Wind Hydro Hydro Type (e.g. Run-of-River): _____
 Diesel Natural Gas Fuel Oil Other (state type) _____

Prime Mover: Fuel Cell Recip Engine Gas Turb Steam Turb
 Microturbine PV Other

Type of Generator: Synchronous Induction Inverter

Generator Nameplate Rating: _____ kW (Typical) Generator Nameplate kVAR: _____

Interconnection Customer or Customer-Site Load: _____ kW (if none, so state)

Typical Reactive Load (if known): _____

Maximum Physical Export Capability Requested: _____ kW

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Is the prime mover compatible with the certified protective relay package? Yes No

Generator (or solar collector)
Manufacturer, Model Name & Number: _____
Version Number: _____

Nameplate Output Power Rating in kW: (Summer) _____ (Winter) _____
Nameplate Output Power Rating in kVA: (Summer) _____ (Winter) _____

Individual Generator Power Factor
Rated Power Factor: Leading: _____ Lagging: _____

Total Number of Generators in wind farm to be interconnected pursuant to this
Interconnection Request: _____ Elevation: _____ Single phase Three phase

Inverter Manufacturer, Model Name & Number (if used): _____

List of adjustable set points for the protective equipment or software: _____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based machines)

Max design fault contribution current: _____ Instantaneous or RMS? _____

Harmonics Characteristics: _____

Start-up requirements: _____

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency: _____
(* Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, X_d: _____ P.U.
Direct Axis Transient Reactance, X'_d: _____ P.U.
Direct Axis Subtransient Reactance, X''_d: _____ P.U.
Negative Sequence Reactance, X₂: _____ P.U.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Zero Sequence Reactance, X_0 : _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____
 I_2^2t or K (Heating Time Constant): _____
Rotor Resistance, R_r : _____
Stator Resistance, R_s : _____
Stator Reactance, X_s : _____
Rotor Reactance, X_r : _____
Magnetizing Reactance, X_m : _____
Short Circuit Reactance, X_d'' : _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: _____ Per Unit on kVA Base

Note: Please contact the Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the Point of Common Coupling? Yes No

Will the transformer be provided by the Interconnection Customer? Yes No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: single phase three phase? Size: _____ kVA
Transformer Impedance: _____ % on _____ kVA Base

If Three Phase:

Transformer Primary: _____ Volts Delta Wye Wye Grounded
Transformer Secondary: _____ Volts Delta Wye Wye Grounded
Transformer Tertiary: _____ Volts Delta Wye Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Manufacturer: _____ Type: _____ Size: _____ Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer: _____ Type: _____
Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

Setpoint Function	Minimum	Maximum
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
 Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
 Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
 Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
 Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: _____

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Potential Transformer Data (If Applicable):

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ___

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ___

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? ___ Yes ___ No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address) _____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ___ Yes ___ No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable). Are Schematic Drawings Enclosed? ___ Yes ___ No

Notice of Voltage Irregularities

Voltage may routinely be at the upper limits of the range described in WAC 480-100-373, five percent above the standard rated voltage, and this may limit the ability of a Generating Facility to export power to the electric system.

Phased Installations

When a project is designed for phased installation, Customer must either submit one application for final project size or may choose to submit applications at each phase of the project. Individual applications will be evaluated based on nameplate capacity stated on application. Separate application fees are required for each individual application. If single application is used customer must notify the Company as each phase is completed. If multiple applications are used for project customer may not develop the project beyond the size approved in each individual application.

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

For Interconnection Customer: _____ Date: _____

(N)

Issued December 13, 2013

Effective January 1, 2014

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By Kelly Norwood, V.P., State & Federal Regulation



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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment 3 to Interconnection Service Tariff for
Washington State Jurisdictional Generating Facilities**

FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____ 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a _____ existing under the laws of the State of _____, ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on _____; and

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Electric System; and

WHEREAS, Interconnection Customer has requested the Transmission Provider to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with the Transmission Provider's Electric System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in Attachment 1 of the Interconnection Service Tariff for Washington State Jurisdictional Generating Facilities.
- 2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed an interconnection feasibility study consistent the standard Small Generator Interconnection Procedures in accordance with the Interconnection Service Tariff for Washington State Jurisdictional Generating Facilities.
- 3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the standard Small Generator Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties.
- 5.0 In performing the study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.
- 6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:
 - 6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - 6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - 6.3 Initial review of grounding requirements and electric system protection; and
 - 6.4 Description and non-bonding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.
- 7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.
- 8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.
- 9.0 A deposit of the lesser of 50 percent of good faith study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

feasibility study must be completed and the feasibility study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider] [Insert name of Interconnection Customer]

Signed _____ Signed _____

Name (Printed): _____ Name (Printed): _____

Title _____ Title _____

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment A to
Feasibility Study Agreement**

ASSUMPTIONS USED IN CONDUCTING THE FEASIBILITY STUDY

The feasibility study will be based upon the information set forth in the Interconnection Request and agreed upon in the scoping meeting held on _____:

- 1) Designation of Point of Interconnection and configuration to be studied.

- 2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment 4 to Interconnection Service Tariff for
Washington State Jurisdictional Generating Facilities**

SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____ 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a _____ existing under the laws of the State of _____, ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Electric System;

WHEREAS, the Transmission Provider has completed a feasibility study and provided the results of said study to the Interconnection Customer (This recital to be omitted if the Parties have agreed to forego the feasibility study.); and

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform a system impact study(s) to assess the impact of interconnecting the Small Generating Facility with the Transmission Provider's Electric System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the Interconnection Service Tariff for Washington State Jurisdictional Generating Facilities.
- 2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed a system impact study(s) consistent with the Interconnection Service Tariff or Washington State Jurisdictional Generating Facilities.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 3.0 The scope of a system impact study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 A system impact study will be based upon the results of the feasibility study and the technical information provided by Interconnection Customer in the Interconnection Request. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the system impact study. If the Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the system impact study may be extended.
- 5.0 A system impact study shall consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. A 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. A system impact study shall provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.
- 6.0 A distribution system impact study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.
- 7.0 Affected Systems may participate in the preparation of a system impact study, with a division of costs among such entities as they may agree. All Affected Systems shall be afforded an opportunity to review and comment upon a system impact study that covers potential adverse system impacts on their electric systems, and the Transmission Provider has 20 additional Business Days to complete a system impact study requiring review by Affected Systems.
- 8.0 If the Transmission Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required System Upgrades, the system impact study shall consider all generating facilities (and with respect to paragraph 8.3 below, any identified System Upgrades associated with such higher queued interconnection) that, on the date the system impact study is commenced –
 - 8.1 Are directly interconnected with the Transmission Provider's electric system; or
 - 8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 8.3 Have a pending higher queued Interconnection Request to interconnect with the Transmission Provider's electric system.
- 9.0 A distribution system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 30 Business Days after this Agreement is signed by the Parties. A Electric System impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 45 Business Days after this Agreement is signed by the Parties, or in accordance with the Transmission Provider's queuing procedures.
- 10.0 A deposit of the lesser of 50 percent of good faith study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider] [Insert name of Interconnection Customer]

Signed _____ Signed _____

Name (Printed): _____ Name (Printed): _____

Title _____ Title _____

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment A to System
Impact Study Agreement**

ASSUMPTIONS USED IN CONDUCTING THE SYSTEM IMPACT STUDY

The system impact study shall be based upon the results of the feasibility study, subject to any modifications in accordance with the standard Small Generator Interconnection Procedures, and the following assumptions:

- 1) Designation of Point of Interconnection and configuration to be studied.

- 2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment 5 to Interconnection Service Tariff for
Washington State Jurisdictional Generating Facilities**

FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____ 20__ by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and _____, a _____ existing under the laws of the State of _____, ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Electric System;

WHEREAS, the Transmission Provider has completed a system impact study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the system impact study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Transmission Provider's Electric System.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the Interconnection Service Tariff for Washington State Jurisdictional Generating Facilities.
- 2.0 The Interconnection Customer elects and the Transmission Provider shall cause a facilities study consistent with the Interconnection Service Tariff for Washington State Jurisdictional Generating Facilities.
- 3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

- 4.0 The 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 system impact study(s). The facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Transmission Provider's Interconnection Facilities and System Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.
- 5.0 The Transmission Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.
- 6.0 A deposit of the lesser of 50 percent of good faith study costs or earnest money of \$1,000 may be required from the Interconnection Customer.
- 7.0 In cases where System Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no System Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the facilities study must be completed within 30 Business Days.
- 8.0 Once the facilities study is completed, a facilities study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study.
- 9.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.
- 10.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider] [Insert name of Interconnection Customer]

Signed _____ Signed _____

Name (Printed): _____ Name (Printed): _____

Title _____ Title _____

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

Attachment A to
Facilities Study Agreement

DATA TO BE PROVIDED BY THE INTERCONNECTION CUSTOMER
WITH THE FACILITIES STUDY AGREEMENT

Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections: _____

Will an alternate source of auxiliary power be available during CT/PT maintenance?
Yes ____ No ____

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes ____ No ____
(Please indicate on the one-line diagram).

What type of control system or PLC will be located at the Small Generating Facility?

What protocol does the control system or PLC use?

Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, transmission line, and property lines.

Physical dimensions of the proposed interconnection station:

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's Electric System.

Tower number observed in the field. (Painted on tower leg)*:

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Small Generating Facility located in Transmission Provider's service area?

Yes _____ No _____ If No, please provide name of local provider:

Please provide the following proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformers
receive back feed power Date: _____

Generation Testing Date: _____

Commercial Operation Date: _____

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

**Attachment 6 to Interconnection Service Tariff for
Washington State Jurisdictional Generating Facilities**

**SMALL GENERATOR
INTERCONNECTION AND CONSTRUCTION AGREEMENT (SGIA)**

**For Generating Facilities under State Jurisdiction
Larger than 500 kW but No Larger Than 20 MW**

Greater Than 500 kW to 20 MW Attachment 6 – Requirement F (Interconnection Agreement)
October 2013

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Greater Than 500 kW to 20 MW Attachment 6 – Requirement F (Interconnection Agreement)
October 2013

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AVISTA CORPORATION
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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

This Interconnection Agreement ("Agreement") is made and entered into this _____ day of _____, 20____, by _____ ("Transmission Provider"), and _____ ("Interconnection Customer") each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Transmission Provider Information

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Interconnection Customer Information

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

Article 1. Scope and Limitations of Agreement

- 1.1 This Agreement governs the terms and conditions under which the Interconnection Customer's Small Generating Facility will interconnect with, and Operate in Parallel with, the Transmission Provider's Electric System.
- 1.2 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under separate agreements, if any. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity with the applicable Transmission Provider.

(N)

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

1.3 Nothing in this Agreement is intended to affect any other agreement between the Transmission Provider and the Interconnection Customer.

1.4 Responsibilities of the Parties

1.4.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.

1.4.2 The Interconnection Customer shall, construct, interconnect, operate and maintain its Small Generating Facility and construct, operate, and maintain its Interconnection Facilities in accordance with the applicable manufacturer's recommended maintenance schedule, and Operating Requirements in accordance with this Agreement, and with Good Utility Practice.

1.4.3 The Transmission Provider shall construct, operate, and maintain its Electric System and Interconnection Facilities in accordance with this Agreement, and with Good Utility Practice.

1.4.4 The Interconnection Customer agrees to construct its facilities or systems in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design, install, maintain, and operate its Small Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of the Transmission Provider and any Affected Systems.

1.4.5 Each Party shall operate, maintain, repair, and inspect, and shall be fully responsible for the facilities that it now or subsequently may own unless otherwise specified in the Attachments to this Agreement. Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of change of ownership. The Transmission Provider and the Interconnection Customer, as appropriate, shall provide Interconnection Facilities that adequately protect the Transmission Provider's Electric System, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities shall be delineated in the Attachments to this Agreement. Interconnection Customer is responsible for compliance with any applicable NERC and/or WECC reliability standard requirements associated with its facilities and systems and Transmission Provider does not assume any responsibility or obligation for compliance with such reliability standard requirements.

1.4.6 The Transmission Provider shall coordinate with all Affected Systems to support

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1.5 Parallel Operation Obligations

Once the Small Generating Facility has been authorized to commence Parallel Operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the Parallel Operation of the Small Generating Facility in the applicable balancing area, including, but not limited to; 1) the rules and procedures concerning the operation of generation set forth in the Tariff or by the system operator for the Transmission Provider's Electric System and; 2) the Operating Requirements set forth in Attachment 5 of this Agreement.

1.6 Metering

The Interconnection Customer shall be responsible for the Transmission Provider's reasonable and necessary cost for the purchase, installation, operation, maintenance, testing, repair, and replacement of metering and data acquisition equipment specified in Attachments 2 and 3 of this Agreement. The metering (and data acquisition, as required) equipment shall conform to applicable industry rules and Operating Requirements. In the event the existing metering and data equipment fails or is no longer in compliance with applicable industry rules and operating requirements, then the Parties agree to meet and discuss the current needs and requirements. For any planned replacement of the metering and data equipment by Transmission Provider for which the Interconnection Customer bears cost responsibility pursuant to this Agreement, Transmission Provider shall consult with Interconnection Customer with regard to the planning, design, replacement and operation of such metering and data equipment prior to replacing or procuring such equipment, including providing estimated costs. Transmission Provider shall use its best efforts to minimize such costs.

1.7 Reactive Power

1.7.1 The Interconnection Customer shall design its Small Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless the Transmission Provider has established different requirements that apply to all similarly situated generators in the balancing area on a comparable basis. The requirements of this paragraph shall not apply to wind generators.

1.8 Capitalized Terms

Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

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2.1.1 The Interconnection Customer shall test and inspect its Small Generating Facility and Interconnection Facilities prior to Interconnection. The Interconnection Customer shall notify the Transmission Provider of such activities no fewer than five (5) Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. Testing and inspection shall occur on a Business Day. The Transmission Provider may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide the Transmission Provider a written test report when such testing and inspection is completed.

2.1.2 The Transmission Provider shall provide the Interconnection Customer written acknowledgment that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by the Transmission Provider of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 The Transmission Provider shall use Reasonable Efforts to list applicable Parallel Operation requirements in Attachment 5 of this Agreement. Additionally, the Transmission Provider shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. The Transmission Provider shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence Parallel Operations by the in-service date.

2.2.2 The Interconnection Customer shall not commence Parallel Operations of its Small Generating Facility with the Transmission Provider's Electric System without prior authorization from the Transmission Provider. The Transmission Provider will provide such authorization once the Transmission Provider receives notification that the Interconnection Customer has complied with all applicable Parallel Operation requirements. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.3 Right of Access

2.3.1 Upon reasonable notice, the Transmission Provider may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small Generating Facility (including any required testing), startup, and operation for a period of up to three Business Days after initial start-up of the unit. In addition, the Interconnection Customer shall notify the Transmission Provider at least five (5) Business Days prior to

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conducting any on-site verification testing of the Small Generating Facility.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, the Transmission Provider shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

2.3.3 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective upon execution by the Parties or, if applicable, such date as may be set by a regulatory agency with competent jurisdiction over this Agreement. The Transmission Provider shall promptly file this Agreement with the appropriate regulatory agencies, if required.

3.2 Term of Agreement

This Agreement shall remain in effect through _____, 20__ and shall be automatically renewed for each successive one-year period thereafter, unless terminated earlier in accordance with article 3.3 of this Agreement.

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to the termination, including the filing with the appropriate regulatory agencies of a notice of termination of this Agreement, if required.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the Transmission Provider twenty (20) Business Days written notice.

3.3.2 In the event the Transmission Provider determines that this Agreement must be filed with FERC or FERC asserts jurisdiction over this Agreement, Transmission Provider will file this Agreement with FERC. If FERC issues an order rejecting this Agreement or accepting this Agreement upon conditions that are, in the sole determination of the Party, unacceptable to either Party the Parties will meet within thirty (30) days of the date of the order (unless the Parties agree to a longer period) to negotiate in good faith for the purpose of amending or replacing this Agreement to address the issues raised by the FERC order. To the extent practical, the Parties will endeavor to amend or replace the Agreement in a manner that the relative benefits and obligations of the Parties under the Agreement are, to the extent practicable, preserved

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- 3.3.3 Either Party may terminate this Agreement upon written notice to the other Party at the time as the Small Generating Facility permanently ceases commercial operation.
- 3.3.4 Either Party may terminate this Agreement after Default pursuant to article 7.6.
- 3.3.5 Upon termination of this Agreement, the Small Generating Facility will be disconnected from the Transmission Provider's Electric System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Agreement or such non-terminating Party otherwise is responsible for these costs under this Agreement. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.
- 3.3.6 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of termination.
- 3.3.7 The provisions of this article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions

"Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Electric System, the Transmission Provider's Interconnection Facilities or the Electric Systems of others to which the Electric System is directly connected; or (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generating Facility or the Interconnection Customer's Interconnection Facilities. Under Emergency Conditions, the Transmission Provider may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. The Transmission Provider shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Small Generating Facility. The Interconnection Customer shall notify the Transmission Provider promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Transmission Provider's Electric System or any Affected Systems. To the extent information is known, the notification shall describe the Emergency Condition,

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the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

The Transmission Provider may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from the Transmission Provider's Electric System when necessary for routine maintenance, construction, and repairs on the Transmission Provider's Electric System. The Transmission Provider shall provide the Interconnection Customer with five (5) Business Days notice prior to the interruption. The Transmission Provider shall use Reasonable Efforts to coordinate the reduction or temporary disconnection with the Interconnection Customer.

3.4.3 Forced Outages

During any forced outage, the Transmission Provider may suspend interconnection service to effect immediate repairs on the Transmission Provider's Electric System. The Transmission Provider shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, the Transmission Provider shall, upon request, provide the Interconnection Customer written documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

The Transmission Provider shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, operation of the Small Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Small Generating Facility could cause damage to the Transmission Provider's Electric System or Affected Systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, the Transmission Provider may disconnect the Small Generating Facility. The Transmission Provider shall provide the Interconnection Customer with five (5) Business Day notice of the disconnection, unless the provisions of article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from the Transmission Provider before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Electric System. The authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes modification without the Transmission Provider's prior written authorization, the latter shall have the right to temporarily disconnect the Small

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Generating Facility.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and the Transmission Provider's Electric System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities and Distribution Upgrades

4.1 Interconnection Facilities

4.1.1 The Interconnection Customer shall pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement. The Transmission Provider shall provide a best estimate cost, including overheads, for the purchase and construction of its Interconnection Facilities and provide a detailed itemization of such costs. Costs associated with Interconnection Facilities may be shared with other entities that may benefit from such facilities by agreement of the Interconnection Customer, such other entities, and the Transmission Provider.

4.1.2 The Interconnection Customer shall be responsible for its share of all reasonable expenses, including overheads, associated with (1) owning, operating, maintaining, repairing, and replacing its own Interconnection Facilities, and (2) operating, maintaining, repairing, and replacing the Transmission Provider's Interconnection Facilities.

4.2 Distribution Upgrades

The Transmission Provider shall design, procure, construct, install, and own the Distribution Upgrades described in Attachment 6 of this Agreement. If the Transmission Provider and the Interconnection Customer agree, the Interconnection Customer may construct Distribution Upgrades that are located on land owned by the Interconnection Customer. The actual cost of the Distribution Upgrades, including overheads, shall be directly assigned to the Interconnection Customer.

4.3 Sole-Use Facilities and Charges

4.3.1 The Transmission Provider shall be responsible for owning, operating, maintaining, repairing and replacing its own Interconnection Facilities. The Transmission Provider reserves the right to develop a charge for sole-use facilities for those facilities owned by the Transmission Provider but in place for the sole benefit of the Interconnection Customer's generation interconnection (as identified in Attachment 2). Any sole-use facilities charge shall reflect the then-current ownership of facilities.

4.3.2 Sole-use facilities refer to equipment installed by the Transmission Provider, but

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in place for the sole benefit of the Interconnection Customer's generation interconnection. Such facilities include the Transmission Provider's facilities listed in Attachment 2 (or subsequently replaced). Monthly rates for sole-use facilities shall be calculated as follows:

$$(\text{Sole-use investment} \times \text{ACR}) / 12 \text{ months} = \$/\text{month}$$

The annual cost ratio ("ACR") is determined as a function of undepreciated system investment. The ACR consists of a capital cost component, operations and maintenance, administrative and general plant, federal income tax, other taxes, and depreciation.

4.4 Joint Coordination

For any planned projects undertaken by the Transmission Provider for which the Interconnection Customer bears cost responsibility pursuant to article 4.1.2, the Transmission Provider shall consult with the Interconnection Customer regarding the planning, design, replacement, operation, maintenance, and repair of such facilities prior to procuring equipment for such projects or commencing construction or installation of such projects, including providing estimated costs. Transmission Provider shall use its best efforts to minimize such costs.

Article 5. Cost Responsibility for System Upgrades

5.1 Applicability

No portion of this article 5 shall apply unless the interconnection of the Small Generating Facility requires System Upgrades.

5.2 System Upgrades

The Transmission Provider or the Transmission Owner shall design, procure, construct, install, and own the System Upgrades described in Attachment 6 of this Agreement. If the Transmission Provider and the Interconnection Customer agree, the Interconnection Customer may construct System Upgrades that are located on land owned by the Interconnection Customer. Unless the Transmission Provider elects to pay for System Upgrades, the actual cost of the System Upgrades, including overheads, shall be borne by the Interconnection Customer.

5.3 Rights Under Other Agreements

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that the Interconnection Customer shall be entitled to, now or in the future, under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the System Upgrades.

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Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Billing and Payment Procedures and Final Accounting

6.1.1 General.

The Transmission Provider shall bill the Interconnection Customer for the design, engineering, construction, and procurement costs of Interconnection Facilities and Upgrades contemplated by this Agreement on a monthly basis, or as otherwise agreed by the Parties. The Interconnection Customer shall pay each bill within thirty (30) calendar days of receipt, or as otherwise agreed to by the Parties. All payments shall be made in immediately available funds payable to the Transmission Provider, or by wire transfer to a bank named and account designated by Transmission Provider.

6.1.2 Payment.

Within three months of completing the construction and installation of the Transmission Provider's Interconnection Facilities and/or System Upgrades described in the Attachments to this Agreement, the Transmission Provider shall provide the Interconnection Customer with a final accounting report of any difference between (1) the Interconnection Customer's cost responsibility for the actual cost of such facilities or System Upgrades, and (2) the Interconnection Customer's previous aggregate payments to the Transmission Provider for such facilities or System Upgrades. If the Interconnection Customer's cost responsibility exceeds its previous aggregate payments, the Transmission Provider shall invoice the Interconnection Customer for the amount due and the Interconnection Customer shall make payment to the Transmission Provider within 30 calendar days. If the Interconnection Customer's previous aggregate payments exceed its cost responsibility under this Agreement, the Transmission Provider shall refund to the Interconnection Customer an amount equal to the difference within 30 calendar days of the final accounting report.

6.2.3 Disputes.

In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this Agreement as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 7.6.1. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 C.F.R § 35.19a(a)(2)(iii).

6.2 Milestones

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The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to an amendment unless it will suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

6.3 Financial Security Arrangements

At least 20 Business Days prior to the commencement of the design, procurement, installation, or construction of a discrete portion of the Transmission Provider's Interconnection Facilities and System Upgrades, the Interconnection Customer shall provide the Transmission Provider, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to the Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction where the Point of Interconnection is located. Such security for payment shall be in an amount sufficient to cover the costs for constructing, designing, procuring, and installing the applicable portion of the Transmission Provider's Interconnection Facilities and System Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to the Transmission Provider under this Agreement during its term. In addition:

- 6.3.1 The guarantee must be made by an entity that meets the creditworthiness requirements of the Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.
- 6.3.2 The letter of credit or surety bond must be issued by a financial institution or insurer reasonably acceptable to the Transmission Provider and must specify a reasonable expiration date.

Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

7.1 Assignment

This Agreement may not be assigned by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided that, notwithstanding the foregoing:

- 7.1.1 Either Party may assign this Agreement without the consent of the other Party to

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any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that the Interconnection Customer promptly notifies the Transmission Provider of any assignment;

7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of the Transmission Provider, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that the Interconnection Customer will promptly notify the Transmission Provider of any assignment.

7.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Release and Limitation of Liability

If both the Interconnection Customer and Transmission Provider are parties to the Agreement Limiting Liability Among Western Interconnected Systems, that agreement shall continue in full force and effect as between the Parties to the extent that such provisions may apply under this Agreement. If either the Interconnection Customer or Transmission Provider is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, then the following provisions of Sections 7.2.1 and 7.2.2 shall apply:

7.2.1 Release by Transmission Provider

The Transmission Provider hereby releases each of Interconnection Customer and the officers, employees, agents and legal representatives of the Interconnection Customer from any and all claims, losses, harm, liabilities, damages, costs and expenses to the extent resulting from any:

7.2.1.1 Parallel Operation of the Interconnection Customer's Interconnection Facilities or Small Generating Facility with the Transmission Provider's Electric System;

7.2.1.2 electric disturbance or fluctuation that migrates, directly or indirectly, from the Interconnection Customer's Interconnection Facilities or Small Generating Facility to the Transmission Provider's Electric System;

7.2.1.3 disconnection, interruption, suspension or curtailment, through manual operation, automatic operation or otherwise, by the Interconnection Customer in the event that the Interconnection Customer, in the exercise of its sole discretion, determines or has determined that an emergency condition exists or may exist that is contrary to Good Utility Practice,

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and failure to do so:

- (i) may cause imminent harm to any person or property, or
- (ii) may cause the disruption of reliable operation of the Interconnection Customer's Interconnection Facilities or Small Generating Facility or the Transmission Provider's Electric System (including, but not limited to, any transmission or distribution line thereof).

The foregoing release shall not be effective to the extent any claims, losses, harm, liabilities, damages, costs, and expenses are the result of the Interconnection Customer's willful misconduct.

7.2.2 Release by the Interconnection Customer

The Interconnection Customer hereby releases each of the Transmission Provider and the directors, officers, employees, agents and legal representatives of the Transmission Provider from any and all claims, losses, harm, liabilities, damages, costs and expenses to the extent resulting from any:

7.2.2.1 Parallel Operation of the Transmission Provider's Electric System with the Interconnection Customer's Interconnection Facilities or Small Generating Facility;

7.2.2.2 electric disturbance or fluctuation that migrates, directly or indirectly, from the Transmission Provider's Electric System to the Interconnection Customer's Interconnection Facilities or Small Generating Facility;

7.2.2.3 disconnection, interruption, suspension or curtailment, through manual operation, automatic operation or otherwise, by the Transmission Provider in the event that the Transmission Provider, in the exercise of its sole discretion, determines or has determined that an emergency condition exists or may exist that is contrary to Good Utility Practice, and failure to do so:

- (i) may cause imminent harm to any person or property, or
- (ii) may cause the disruption of reliable operation of the Transmission Provider's Electric System or the Interconnection Customer's Interconnection Facilities or Small Generating Facility (including, but not limited to, any transmission or distribution line thereof) or any electric system with which the Transmission Provider is interconnected.

The foregoing release shall not be effective to the extent any claims, losses, harm, liabilities, damages, costs, and expenses are the result of the Transmission

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Provider's willful misconduct.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in article 7.2.

7.3.2 Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, reasonable attorney fees, and all other obligations by or to third parties, arising out of or resulting from the indemnifying Party's action or failure to meet its obligations under this Agreement on behalf of the other Party, except in cases of gross negligence or intentional wrongdoing by the other Party.

7.3.3 If an indemnified Party is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of the claim, the indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, the claim.

7.3.4 If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of the indemnified person's actual loss, net of any insurance or other recovery.

7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of the fact. Any failure of or delay in notification shall not affect a Party's indemnification obligation unless the failure or delay is materially prejudicial to the indemnifying party.

7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

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7.5 Force Majeure

7.5.1 As used in this article, a Force Majeure Event shall mean "any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing."

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

7.6.1 No Default shall exist where the failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in article 7.6.2, the defaulting Party shall have sixty (60) calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within sixty (60) calendar days, the defaulting Party shall commence such cure within twenty (20) calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

of this Agreement.

Article 8. Insurance

- 8.1 The Interconnection Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of the insurance shall be sufficient to insure against all reasonably foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. The Interconnection Customer shall obtain additional insurance only if necessary as a function of owning and operating a generating facility. The insurance shall be obtained from an insurance provider authorized to do business in the State where the interconnection is located. Certification that the insurance is in effect shall be provided upon request of the Transmission Provider. An Interconnection Customer of sufficient credit-worthiness may propose to self-insure for such liabilities, and such a proposal shall not be unreasonably rejected.
- 8.2 The Transmission Provider agrees to maintain general liability insurance or self-insurance consistent with the Transmission Provider's commercial practice. The insurance or self-insurance shall not exclude coverage for the Transmission Provider's liabilities undertaken pursuant to this Agreement.
- 8.3 The Parties further agree to notify each other whenever an accident or incident occurs resulting in any injuries or damages that are included within the scope of coverage of the insurance, whether or not the coverage is sought.

Article 9. Confidentiality

- 9.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.
- 9.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose the publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold the information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

9.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

Article 10. Disputes

- 10.1 The Parties agree to attempt to resolve all disputes arising out of the this Agreement according to the provisions of this article.
- 10.2 In the event of a dispute, either Party shall provide the other Party with a written Notice of Dispute. The Notice shall describe in detail the nature of the dispute.
- 10.3 If the dispute has not been resolved within two (2) Business Days after receipt of the Notice, an Interconnection Customer may ask the Commission to review the dispute by making an informal complaint under WAC 480-07-910, or by filing a formal complaint under WAC 480-07-370.
- 10.4 Each Party agrees to conduct all negotiations in good faith and will be responsible for one-half of any costs paid to neutral third-parties.
- 10.5 If the Interconnection Customer elects to seek dispute resolution, or if the attempted dispute resolution fails, then either Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

Article 11. Taxes

- 11.1 The Parties agree to follow all applicable tax laws and regulations, consistent with Internal Revenue Service requirements.
- 11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

Article 12. Miscellaneous

- 12.1 Governing Law, Regulatory Authority, and Rules
The validity, interpretation and enforcement of this Agreement and each of its provisions

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

shall be governed by the laws of the State of Washington, without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.4 Waiver

12.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

12.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

12.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have

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(N)

any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) the portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by the ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. All Transmission Providers, market participants, and Interconnection Customers interconnected to electric systems must comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Small Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four (24) hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing the events.

12.11 Subcontractors

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing the services and each Party shall remain primarily liable to the other Party for the performance of the subcontractor.

12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event

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(N)

shall the Transmission Provider be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

12.11.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

If to the Transmission Provider:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

If to Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

If to Transmission Provider:

All payments to Transmission Provider shall be wire transferred to the account specified

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on each billing invoice.

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____
Email: _____

If to the Transmission Provider:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____
Email: _____

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Transmission Provider's Operating Representative:

Transmission Provider: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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13.5 Changes to the Notice Information

Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

Article 14. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Transmission Provider

Name: _____

Title: _____

Date: _____

For the Interconnection Customer

Name: _____

Title: _____

Date: _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 1

Glossary of Terms

Affected System – An electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

Applicable Laws and Regulations – All duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Application - The written notice as defined in WAC 480-108-030 that the interconnection customer provides to the Transmission Provider to initiate the interconnection process.

Business Day – Monday through Friday, excluding official federal and state holidays.

Certificate of Completion - The form described in WAC 480-108-050 that must be completed by the Interconnection Customer's electrical inspector and approved by the Company indicating completion of installation and inspection of the interconnection

Commission - The Washington Utilities and Transportation Commission.

Default – The failure of a breaching Party to cure its Breach under the Small Generator Interconnection and Construction Agreement.

Distribution System – The Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

Distribution Upgrades – The additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the transmission service necessary to effect the Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

Electric System - All electrical wires, equipment, and other facilities owned by the Electrical Company that are used to transmit electricity to customers. Electric System includes the definition of Transmission System and Distribution System.

Electrical Company - Any public service company, as defined by RCW 80.04.010, engaged in the generation, distribution, sale or furnishing of electricity and subject to the jurisdiction of the commission.

FERC – The Federal Energy Regulatory Commission, or its successor.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Generating Facility - A source of electricity owned, or whose output is owned, by the Interconnection Customer that is located on the Interconnection Customer's side of the Point of Common Coupling, and all ancillary and appurtenant facilities, including Interconnection Facilities, which the Interconnection Customer requests to interconnect to the Electrical Company's Electric System.

Good Utility Practice – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Governmental Authority – Any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Interconnection Customer, the Interconnection Provider, or any Affiliate thereof.

Initial Operation - The first time the Generating Facility is in Parallel Operation with the Electric System.

In-Service Date - The date on which the Generating Facility and any related facilities are complete and ready for service, even if the Generating Facility is not placed in service on or by that date.

Interconnection - The physical connection of a Generating Facility to the Electric System so that Parallel Operation may occur.

Interconnection Agreement – An agreement between an Electrical Company and the Interconnection Customer which outlines the interconnection requirements, costs and billing agreements, insurance requirements, and ongoing inspection, maintenance, and operational requirements.

Interconnection Customer – The person, corporation, partnership, government agency, or other entity that proposes to interconnect, or has executed an Interconnection Agreement with the Electrical Company. The Interconnection Customer must:

- (a) own a generating facility interconnected to the electric system,
- (b) be a customer-generator of net-metered facilities, as defined in RCW 80.60.010(2), or
- (c) otherwise be authorized to interconnect by law.

The Interconnection Customer is responsible for the Generating Facility, and may assign to another party responsibility for compliance with the requirements of this rule only with the

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express written permission of the Electrical Company. A net metered Interconnection Customer may lease a generating facility from, or purchase power from, a third-party owner of an on-site Generating Facility.

Interconnection Facilities – The Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small Generating Facility to the Transmission Provider's Transmission System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades. Interconnection Facilities includes the definition for interconnection facilities as defined by WAC 480-108.

Interconnection Request – The Interconnection Customer's request, in accordance with the Tariff, to interconnect a new Small Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Small Generating Facility that is interconnected with the Transmission Provider's Transmission System. Interconnection Request includes the definition of Application.

Material Modification – A modification that has a material impact on the cost or timing of any Interconnection Request with a later queue priority date.

Nameplate Capacity - The manufacturer's output capacity of the generating facility. For a system that uses an inverter to change DC energy supplied to an AC quantity, the nameplate capacity will be the manufacturer's AC output rating for the inverter(s). Nameplate capacities shall be measured in the unit of kilowatts

NERC – The North American Electric Reliability Corporation, or its successor.

NWPP – The Northwest Power Pool, or its successor.

Operating Requirements – Any operating and technical requirements that may be applicable due to Regional Transmission Organization, Independent System Operator, balancing area, or the Transmission Provider's requirements, including those set forth in the Small Generator Interconnection and Construction Agreement.

Parallel Operation (or Operate in Parallel) - The synchronous operation of a Generating Facility while interconnected with an Electrical Company's Electric System.

Party or Parties – The Transmission Provider, Transmission Owner, Interconnection Customer or any combination of the above.

Point of Common Coupling - The point where the Generating Facility's local electric power system connects to the Electrical Company's Electric System, such as the electric power revenue meter or at the location of the equipment designated to interrupt, separate or disconnect the connection between the Generating Facility and Electrical Company. The Point of Common

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Coupling is the point of measurement for the application of IEEE 1547, clause 4.

Point of Interconnection – The point where the Interconnection Facilities connect with the Transmission Provider's Transmission System. Point of Interconnection includes the definition of Point of Common Coupling.

PURPA Qualifying Facility - A Generating Facility that meets the criteria specified by the Federal Energy Regulatory Commission (FERC) in 18 CFR Part 292 Subpart B and that sells power to an electrical company under chapter 480-107 WAC.

Queue Position – The order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the Transmission Provider.

Reasonable Efforts – With respect to an action required to be attempted or taken by a Party under the Small Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Small Generating Facility – The Interconnection Customer's device for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. Small Generating Facility includes the definition of Generating Facility.

System Upgrades - The additions, modifications and upgrades to the Electrical Company's Electrical System at or beyond the Point of Common Coupling necessary to facilitate the Interconnection of the Generating Facility. System Upgrades do not include Interconnection Facilities. System Upgrades may be Distribution Upgrades and/or Transmission Upgrades.

Tariff – The current tariffs, rates schedules and prices for the Electric Company under the jurisdiction of the Commission.

Transmission Owner – The entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Small Generator Interconnection Agreement to the extent necessary.

Transmission Provider – The public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider. Transmission Provider includes the definition of Electrical Company.

Transmission System – The facilities owned, controlled or operated by the Transmission Provider or the Transmission Owner that are used to provide transmission service under the tariff.

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Transmission Upgrades – The required additions and modifications to the Transmission Provider's Transmission System at or beyond the Point of Interconnection. Upgrades do not include Interconnection Facilities.

Upgrades – The required additions and modifications to the Transmission Provider's Electric System at or beyond the Point of Interconnection. Upgrades may be Transmission Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 2

**Description and Costs of the Small Generating Facility, Point of Interconnection,
Interconnection Facilities and Metering Equipment**

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer, the Transmission Provider, or the Transmission Owner. The Transmission Provider will provide a best estimate itemized cost, including overheads, of its Interconnection Facilities and metering equipment, and a best estimate itemized cost of the annual operation and maintenance expenses associated with its Interconnection Facilities and metering equipment.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 3

One-line Diagram Depicting the Small Generating Facility, Interconnection
Facilities, Metering Equipment, and System Upgrades

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 4

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

Agreed to by:

For the Transmission Provider _____ Date _____

For the Transmission Owner (If Applicable) _____ Date _____

For the Interconnection Customer _____ Date _____

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 5

**Additional Operating Requirements for the Transmission Provider's
Electric System and Affected Systems Needed to Support
the Interconnection Customer's Needs**

The Transmission Provider shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the Transmission Provider's Electric System.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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Attachment 6

Transmission Provider's Description of its Upgrades
and Best Estimate of Upgrade Costs

The Transmission Provider shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades.

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Attachment 6

Transmission Provider's Description of its Upgrades
and Best Estimate of Upgrade Costs

The Transmission Provider shall describe Upgrades and provide an itemized best estimate of the cost, including overheads, of the Upgrades and annual operation and maintenance expenses associated with such Upgrades.

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SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

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**Attachment 7 to Interconnection Service Tariff for
Washington State Jurisdictional Generating Facilities**

SMALL GENERATING FACILITY CERTIFICATE OF COMPLETION

Is the Small Generating Facility owner-installed? Yes _____ No _____

Interconnection Customer: _____

Contact Person: _____

Address: _____

Location of the Small Generating Facility (if different from above):

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Electrician:

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Date Approval to Install Facility granted by the Company: _____

Application ID number: _____

Inspection:

The Small Generating Facility has been installed and inspected in compliance with the local
building/electrical code of _____

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By Kelly Norwood, V.P., State & Federal Regulation



WN U-28

Substitute Original Sheet 65HHHHH

AVISTA CORPORATION
dba Avista Utilities

SCHEDULE 65 – INTERCONNECTION STANDARDS - continued

(N)

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

Print Name: _____

Date: _____

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the signed electrical permit to (insert Company information below):

Name: _____

Company: _____

Address: _____

City, State ZIP: _____

Fax: _____

Approval to Energize the Small Generating Facility (For Company use only)

Energizing the Small Generating Facility is approved.

Company Signature: _____

Title: _____ Date: _____

(N)

Issued December 13, 2013

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