

# Business Practice # 70: Generation Interconnection Procedures for Qualifying Facility Projects

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Revision No.: 0.1

### Purpose

The purpose of this business practice is to clarify the procedures which PacifiCorp will use for generation interconnection projects that are designated as qualifying facilities ("QFs") by the Interconnection Customer.

This business practice applies to all Interconnection Customers who designate their projects as QFs under The Public Utility Regulatory Policies Act of 1978 ("PURPA") and for which PacifiCorp will take 100% of the output. QFs that may sell output to another entity other than PacifiCorp will be processed as any other generator under PacifiCorp's Open Access Transmission Tariff ("OATT").

Given that QF interconnections are state-jurisdictional, specific state schedules or rules may apply.

# **QF Designation Notification**

Interconnection Customers desiring to designate a project as a QF with PacifiCorp as the sole power purchaser shall submit a PacifiCorp-provided attestation document formally declaring QF status. A copy of the attestation document can be found at the following link:

#### **QF** Attestation

Following the provision of the attestation document, PacifiCorp will request that the Interconnection Customer sign a voluntary consent form allowing PacifiCorp Transmission employees to discuss the Interconnection Customer's project with representatives of PacifiCorp's Merchant function. PacifiCorp's voluntary consent form can be found at the following link:

#### Voluntary Consent Form

# **Timing of QF Designation**

#### Application

Interconnection Customers desiring to designate a project as a QF at the beginning of the interconnection process shall submit the appropriate application based on project size and jurisdiction along with PacifiCorp's official attestation document. Interconnection Customers unsure as to which application is appropriate should consult with PacifiCorp prior to submitting an application to prevent possible delays or restudies.



#### Study Phase

If an Interconnection Customer decides to designate a project as a QF at any point after PacifiCorp has initiated a Cluster Study but prior to signing an interconnection agreement, PacifiCorp will determine, in its sole discretion, if any restudies are necessary. Interconnection Customer shall be required to pay the costs of any necessary restudies.

Restudies may be necessary if, for example, the Interconnection Customer initially requested to only be studied as an Energy Resource ("ER") under PacifiCorp's Open Access Transmission Tariff ("OATT"). This is because conversion to QF status may trigger the need for PacifiCorp Transmission to study a more flexible and comprehensive level of interconnection, akin to FERC's Network Resource Interconnection Service.

The designation of a project as a QF during the study phase could result in the project losing its queue position in PacifiCorp's generation interconnection queue, depending on whether the modification is determined to be material in accordance with the OATT Material Modification policies applied to non-QF interconnection customers.

# Post Generation Interconnection Agreement Execution

If an Interconnection Customer proposes to designate a project as a QF after a non-QF generation interconnection agreement has been executed, PacifiCorp will determine, in its sole discretion, if the Interconnection Customer's proposed designation of its project as a QF is possible based on the progress of the project. If PacifiCorp determines that the Interconnection Customer's proposed designation of its project as a QF is a material modification under PacifiCorp's OATT, the request may require the Interconnection Customer to submit a new application. If PacifiCorp determines that the proposed designation as a QF is possible, the existing generation interconnection agreement will be terminated and replaced by the appropriate form of QF generation interconnection agreement, and PacifiCorp will determine, in its sole discretion, if any restudies are necessary to effectuate the change in status. Interconnection Customer shall be required to pay the costs of any required restudies.

#### **OF** Undesignation

Interconnection Customers with a QF project wishing to un-designate their project as a QF will be required to follow the same basic framework as described above except that no formal attestation is required. PacifiCorp will accept a signed letter from the Interconnection Customer as formal notification of a change from a QF to non-QF project. If a QF form of interconnection agreement already exists for the Interconnection Customer's project, the agreement will be terminated and replaced by a non-QF form of interconnection agreement in accordance with the OATT. PacifiCorp will determine, in its sole discretion, if any restudies are necessary in accordance with the OATT. Interconnection Customer shall be required to pay the costs of any necessary restudies in accordance with the OATT.

#### **QF** Generation Interconnection Service

PacifiCorp will study all proposed QF generation interconnection projects assuming that the full output of the project will be used by PacifiCorp to serve its network load. PacifiCorp Transmission will attempt to identify alternatives to alleviate any transmission



capacity issues. Potential alternatives could include, but are not limited to, the construction of new transmission infrastructure or the implementation of a remedial action scheme ("RAS").

Contact for Assistance: <u>BusinessPractices@PacifiCorp.com</u>

## **Revision History**

| Version   | Posted Date | Change Summary                          |
|-----------|-------------|---|
| 0.1       | 10/20/2020  | Clarifying edits                        |
| 0.0       | 2/2/16      | Final version posted.                   |
| DRAFT 0.0 | 11/24/2015  | Initial draft posted for public comment |