



ADMINISTRATIVE RULES OF MONTANA



38.5.8412 LEVEL 4 STUDY REVIEW

- (1) An EDC shall use the Level 4 study review procedure for an interconnection request that meets the criteria in ARM 38.5.8406(1)(d).
- (2) Within ten business days from receipt of an interconnection request, the EDC shall notify the applicant whether the request is complete. When the interconnection request is not complete, the EDC shall provide the applicant a written list detailing information that shall be provided to complete the interconnection request. The applicant shall have ten business days to provide appropriate data in order to complete the interconnection request or the interconnection request shall be considered withdrawn. The interconnection request shall be deemed complete when the required information has been provided by the applicant.
- (3) When an interconnection request is complete, the EDC shall assign a line section queue position if there is more than one interconnection request pending for the same line section. The line section queue position of an interconnection request shall be used to determine the cost responsibility necessary for the facilities to accommodate the interconnection. The EDC shall notify the applicant about other higher line section queued applicants. Any required interconnection studies shall not begin until the EDC has completed its review of all other interconnection requests that have a higher line section queue position. Line section queue position shall not be forfeited or otherwise impacted by any pending dispute submitted under the provisions of ARM 38.5.8413.
- (4) The following procedures shall be followed in performing a Level 4 study review:
 - (a) By mutual agreement of the parties, the scoping meeting, interconnection feasibility study, interconnection impact study, or interconnection facilities studies provided for in a Level 4 review and discussed in this section may be waived;
 - (b) If agreed to by the parties, a scoping meeting will be held within ten business days after the EDC has notified the applicant that the interconnection request is deemed complete, or the applicant has requested that its interconnection request proceed after failing the requirements of a Level 2 review or Level 3 review. The purpose of the meeting must be to review the interconnection request, existing studies relevant to the interconnection request, and the results of the Level 1, Level 2, or Level 3 screening criteria;
 - (c) If the parties agree at a scoping meeting that an interconnection feasibility study shall be performed, the EDC shall provide to the applicant, no later than five business days after the scoping meeting, an interconnection feasibility study agreement, including an outline of the scope of the study and a nonbinding good faith estimate of the cost to perform the study;
 - (d) If the parties agree at a scoping meeting that an interconnection feasibility study is not required, the EDC shall provide to the applicant, no later than five business days after the

scoping meeting, an interconnection system impact study agreement, including an outline of the scope of the study and a nonbinding good faith estimate of the cost to perform the study; or

- (e) If the parties agree at the scoping meeting that an interconnection feasibility study and system impact study are not required, the EDC shall provide to the applicant, no later than five business days after the scoping meeting, an interconnection facilities study agreement including an outline of the scope of the study and a nonbinding good faith estimate of the cost to perform the study.
- (5) The following guidelines shall be followed in conducting all required interconnection studies:
- (a) An interconnection feasibility study shall include any of the following analyses necessary for the purpose of identifying a potential adverse system impact to the EDC's electric distribution system that would result from the interconnection:
 - (i) Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - (ii) Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - (iii) Initial review of grounding requirements and system protection; and
 - (iv) Description and nonbinding estimated cost of facilities required to interconnect the small generator facility to the EDC's electric distribution system in a safe and reliable manner.
 - (b) If an applicant requests that the interconnection feasibility study evaluate multiple potential points of interconnection, additional evaluations may be required. Additional evaluations shall be paid by the applicant.
 - (c) An interconnection system impact study is not required if the interconnection feasibility study concludes there is no adverse system impact, or if the study identifies an adverse system impact, but the EDC is able to identify a remedy without the need for an interconnection system impact study.
 - (d) The parties shall use a form of interconnection feasibility study agreement approved by the commission.
 - (e) An interconnection system impact study shall evaluate the impact of the proposed interconnection on both the safety and reliability of the EDC's electric distribution system. The study shall identify and detail the system impacts that result when a small generator facility is interconnected without project or system modifications, focusing on the adverse system impacts identified in the interconnection feasibility study, or potential impacts including those identified in the scoping meeting. The study shall consider all generating facilities that, on the date the interconnection system impact study is commenced, are directly interconnected with the EDC's system, have a pending higher line section queue position to interconnect to the system, or have a signed a standard small generator interconnection agreement. As part of its impact study, the EDC shall agree to evaluate and consider any separate studies prepared by the applicant that evaluate alternatives for interconnecting the small generator facility including the applicant's assessment of potential impacts of the small generator facility on the electric distribution system. The EDC shall

provide the applicant with the EDC's final impact study evaluation including a comparison of the results of its own analyses with those provided by the applicant.

- (i) A distribution interconnection system impact study shall be performed when a potential distribution system adverse system impact is identified in the interconnection feasibility study. The EDC shall send the applicant an interconnection system impact study agreement within five business days of transmittal of the interconnection feasibility study report. The agreement will include an outline of the scope of the study and a good faith estimate of the cost to perform the study. The impact study shall include any necessary elements from among the following:
 - (A) A load flow study;
 - (B) Identification of affected systems;
 - (C) An analysis of equipment interrupting ratings;
 - (D) A protection coordination study;
 - (E) Voltage drop and flicker studies;
 - (F) Protection and set point coordination studies;
 - (G) Grounding reviews; and
 - (H) Impact on system operation.
 - (ii) An interconnection system impact study shall consider any necessary criteria from among the following:
 - (A) A short circuit analysis;
 - (B) A stability analysis;
 - (C) Alternatives for mitigating adverse system impacts on affected systems;
 - (D) Voltage drop and flicker studies;
 - (E) Protection and set point coordination studies; and
 - (F) Grounding reviews.
 - (iii) The final interconnection system impact study must provide the following:
 - (A) The underlying assumptions of the study;
 - (B) The results of the analyses;
 - (C) A list of any potential impediments to providing the requested interconnection service;
 - (D) Required distribution upgrades; and
 - (E) A nonbinding good faith estimate of cost and time to construct any required distribution upgrades.
 - (iv) The parties shall use an interconnection impact study agreement as approved by the commission.
- (f) The interconnection facilities study shall be conducted as follows:

- (i) Within five business days of completion of the interconnection system impact study, a report shall be transmitted to the applicant with an interconnection facilities study agreement, which includes an outline of the scope of the study and a nonbinding good faith estimate of the cost to perform the study.
 - (ii) The interconnection facilities study shall estimate the cost of the equipment, engineering, procurement and construction work, including overheads, needed to implement the conclusions of the interconnection feasibility study and the interconnection system impact study to interconnect the small generator facility. The interconnection facilities study shall identify:
 - (A) The electrical switching configuration of the equipment, including transformer, switchgear, meters, and other station equipment;
 - (B) The nature and estimated cost of the EDC's interconnection facilities and distribution upgrades necessary to accomplish the interconnection; and
 - (C) An estimate of the time required to complete the construction and installation of the facilities.
 - (iii) The parties may agree to permit an applicant to separately arrange for a third party to design and construct the required interconnection facilities. The EDC may review the design of the facilities under the interconnection facilities study agreement. When the parties agree to separately arrange for design and construction, and to comply with security and confidentiality requirements, the EDC shall make all relevant information and required specifications available to the applicant to permit the applicant to obtain an independent design and cost estimate for the facilities, which must be built in accordance with the specifications.
 - (iv) In the event that distribution upgrades are identified in the impact study that must be added only in the event that higher line section queued customers not yet interconnected eventually complete and interconnect their generation facilities, an applicant may elect to interconnect without paying for such upgrades at the time of the interconnection under the condition that the customer shall pay for such upgrades at the time the higher line section queued customer is ready to interconnect. If the customer does not pay for such upgrades at that time, the EDC will require the customer to immediately disconnect its generating facility so that the higher line section queued customer can be accommodated.
 - (v) The parties shall use an interconnection facility study agreement approved by the commission.
- (6) When an EDC determines, as a result of the studies conducted under a Level 4 review, that it is appropriate to interconnect the small generator facility, the EDC shall provide the applicant with a standard small generator interconnection agreement. If the interconnection request is denied, the EDC shall provide the applicant a written explanation.
- (7) An applicant shall have 30 business days after receipt of an interconnection agreement to sign and return the agreement. When an applicant does not sign the agreement within 30 business days, the interconnection request shall be deemed withdrawn. When construction is required, the interconnection of the small generator facility shall proceed according to milestones agreed to by the parties in the standard small generator interconnection agreement. The standard small generator interconnection agreement may not be final until:

- (a) The milestones agreed to in the standard small generator interconnection agreement are satisfied;
- (b) The small generator facility is approved by electric code officials with jurisdiction over the interconnection;
- (c) The applicant provides a certificate of completion to the EDC. Completion of local inspections may be designated on inspection forms used by local inspecting authorities; and
- (d) There is a successful completion of the witness test, unless waived by the EDC.

Authorizing statute(s): 69-3-103, MCA

Implementing statute(s): 69-3-102, MCA

History: NEW, 2010 MAR p. 1801, Eff. 8/13/10.