

INTERMOUNTAIN POWER AGENCY

PROCESS FOR TRANSITIONING TO

“FIRST-READY, FIRST-SERVED”

INTERCONNECTION QUEUE PROCEDURES

TABLE OF CONTENTS

1.	SCOPE AND APPLICATION	1
	Section 1.1: Scope of Transition Process.....	1
	Section 1.2: Transition Cluster Study Eligibility.....	1
	Section 1.2.1: Late-Stage Transition Requests	1
	Section 1.3: Relationship to GIP.....	2
	Section 1.4: Defined Terms	2
2.	PROCESSING OF TRANSITION REQUESTS	2
	Section 2.1: Transition Cluster Study Eligibility: Readiness Milestones, Site Control, and Additional Study Deposit.....	2
	Section 2.1.1: Readiness Criteria Applicable to Transition Requests for Generating Facilities	2
	Section 2.1.2: Site Control	3
	Section 2.1.3: No Additional Cluster Study Deposits.....	3
	Section 2.1.4: Definitive Point(s) of Interconnection Designation.....	4
	Section 2.1.5: [RESERVED]	4
	Section 2.1.6: Completed and Updated Interconnection Request Form.....	4
	Section 2.2: Deficiencies Curable by Transition Readiness Deadline.....	4
3.	TRANSITION REQUEST CLUSTER STUDIES	4
	Section 3.1: Transition Cluster Preparation	4
	Section 3.2: Transition Request Cluster Study Agreement	4
	Section 3.3: Execution of Transition Cluster Study Agreement.....	5
	Section 3.4: Conducting the Transition Cluster Studies	5
	Section 3.4.1: Use of Cluster Areas	5
	Section 3.4.2: Scope of Transition Request Cluster Study	5

	Section 3.5: Allocation of IPA’s Interconnection Facilities and Network Upgrade Costs Within Transition Cluster Studies.....	5
	Section 3.6: Transition Request Cluster Study Report and Meeting with IPA.....	6
4.	RE-STUDIES	6
5.	INTERCONNECTION FACILITIES STUDIES FOR TRANSITION REQUESTS	6
	Section 5.1: Increased Readiness Showing.....	6
	Section 5.2: Facilities Studies	6
	Section 5.3: Other Facility Study Procedures	7
6.	GENERATOR INTERCONNECTION AGREEMENT (GIA).....	7
7.	WITHDRAWAL.....	7

1. **SCOPE AND APPLICATION**

Section 1.1: Scope of Transition Process

This Process for Transitioning to “First-Ready, First-Served” Interconnection Queue Procedures (“Transition Process”) sets forth the procedures by which IPA will process, including in a cluster study (“Transition Cluster Study”) or cluster re-study (“Transition Cluster Re-Study”), or Generating Facility Interconnection Request received by the Transition Close Date (collectively, “Transition Requests”). Generating Facility Interconnection Requests received after the Transition Close Date and the effective date of this Transition Process (“Effective Date”) shall be deemed submitted within the first Cluster Request Window following completion of the Transition Cluster Study process in this Transition Process and shall be processed pursuant to IPA’s Generator Interconnection Procedures (“GIP”). Generating Facility Interconnection Requests received after the Effective Date shall be processed pursuant to the GIP.

Section 1.2: Transition Cluster Study Eligibility

All Transition Requests shall be subject to the provisions of this Transition Process.

Section 1.2.1: Late-Stage Transition Requests

An Interconnection Customer with a Transition Request that, as of thirty (30) Business Days after the Transition Close Date, is at or beyond the point in the interconnection process when it has been tendered a Facilities Study Agreement but has not executed an GIA (“Late-Stage Transition Request”) shall not be required to enter the Transition Cluster process conducted pursuant to Sections 2 - 4 of this Transition Process. Late-Stage Transition Requests may either: (a) continue through the remaining Facilities Study and interconnection agreement execution phases of this Transition Process; or (b) opt into the Transition Cluster process performed under Sections 2 - 4 of this Transition Process by notifying IPA in writing no later than thirty (30) Business Days after the Transition Close Date and meeting the requirements in Section 2. Late-Stage Transition Requests electing to opt into the Transition Cluster process shall forfeit and/or terminate as appropriate any previous interconnection study results or interconnection study agreements, or previously tendered but unexecuted GIA. For Late-Stage Transition Requests that elect to continue through the remaining Facilities Study and interconnection agreement execution phases of this Transition Process, i.e., elect not to join the Transition Cluster, the Interconnection Customer must provide: (a) a demonstration of Site Control pursuant to Section 2.1.2 of this Transition Process; and, in the case of a Generator Interconnection Request only, (b) a demonstration of a Readiness Milestone option in Sections 2.1.1(b) or 2.1.1(c) of this Transition Process. Each demonstration required by the previous sentence for a Late-Stage Transition Request must be made before IPA will tender an GIA for execution, but made upon the later of ninety (90) Business Days after the Transition Close Date. Any Late Stage Transition Requests that fail to meet the requirements of this Section 1.2.1 shall be deemed withdrawn.

Section 1.3: Relationship to GIP

Except as otherwise provided in, or modified by, this Transition Process, the GIP shall apply to Transition Requests.

Section 1.4: Defined Terms

Unless otherwise indicated in this Transition Process, capitalized terms used in this Transition Process shall have the definitions set forth in the GIP Section 1.

2. PROCESSING OF TRANSITION REQUESTS

Section 2.1: Transition Cluster Study Eligibility: Readiness Milestones, Site Control, and Additional Study Deposit

To be eligible for inclusion in a Transition Cluster Study, a Transition Request must satisfy the requirements of this Section 2.1 (except Section 2.1.1) by no later than thirty (30) Business Days after the Transition Close Date, subject to the Interconnection Customer's opportunity to correct identified deficiencies pursuant to Section 2.2 ("the Transition Readiness Deadline").

Notwithstanding GIP Section 3.4, Interconnection Customer shall promptly inform IPA of any material change to Interconnection Customer's demonstration, or continuing demonstration, of Site Control under Section 2.1.2 or satisfaction of a Readiness Milestone Option under Section 2.1.1 that has already been previously demonstrated. Upon IPA determining separately that Interconnection Customer fails to continue demonstrating Site Control once initially demonstrated, or fails to meet a previously demonstrated Readiness Milestone Option under Section 2.1.1, IPA shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement to IPA's satisfaction. Absent such demonstration, IPA will deem the subject Interconnection Request withdrawn.

Section 2.1.1: Readiness Criteria Applicable to Transition Requests for Generating Facilities

By no later than the Transition Readiness Deadline, Interconnection Customer with a Generating Facility Transition Request eligible for inclusion in a Transition Cluster Study must submit to IPA sufficient evidence of one of the following Readiness Milestone Options totaling the entire capacity of the Generating Facility (or requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity in the case of Generating Facility Transition Requests only) that is the subject of the Transition Request:

- (a) Executed term sheet (or comparable evidence) related to a contract for sale of (i) the constructed Generating Facility to a load-serving entity or to a commercial, industrial, or other large end-use customer, (ii) the Generating Facility's energy where the term of sale is not less than five (5) years, or (iii) the Generating Facility's ancillary services if the

Generating Facility is an electric storage resource where the term of sale is not less than five (5) years;

(b) Executed contract binding upon the parties for sale of (i) the constructed Generating Facility to a load-serving entity or to a commercial, industrial, or other large end-use customer, (ii) the Generating Facility's energy where the term of sale is not less than five (5) years, or (iii) the Generating Facility's ancillary services if the Generating Facility is an electric storage resource where the term of sale is not less than five (5) years; or

(c) Reasonable evidence that the Generating Facility has been selected in a Resource Plan or Resource Solicitation Process by or for a load-serving entity, or is being developed for purposes of a sale to a commercial, industrial, or other large end-use customer.

For the avoidance of doubt, the additional readiness criteria under GIP Section 3.4.1(v) do not apply to Transition Requests under this Transition Process.

Section 2.1.2: Site Control

Interconnection Customers with Transition Requests for Generating Facilities shall either:

(a) post a deposit of \$10,000, or

(b) demonstrate Site Control as defined in the GIP. Specifications for acceptable site size for the purposes of demonstrating Site Control are posted on IPA's OASIS. Interconnection Customer may propose alternative specifications for site size to those posted on OASIS for IPA approval. In the event IPA and Interconnection Customer cannot reach agreement related to adequacy of site size, IPA will accept a Professional Engineer (licensed in the state of the Point of Interconnection) stamped site plan drawing that depicts the proposed generation arrangement and specifies the maximum facility output for that arrangement. Deposits posted in accordance with this Section 2.1.2 shall be applied toward any Interconnection Studies for the Transition Request.

Section 2.1.3: No Additional Cluster Study Deposits

Other than deposits provided in accordance with Section 2.1.2 of this Transition Process, IPA shall not assess any additional study deposits for Transition Requests entering the Transition Cluster Studies. Consistent with Section 3.2, Interconnection Customer with a Transition Request shall be responsible for its allocable share of actual Transition Cluster Study costs and restudy costs if applicable.

Section 2.1.4: Definitive Point(s) of Interconnection Designation

If not designated already, Interconnection Customer with a Transition Request must designate a definitive Point of Interconnection to be studied in the Transition Cluster study.

Section 2.1.5: [RESERVED]

Section 2.1.6: Completed and Updated Interconnection Request Form

Interconnection Customer with a Transition Request must provide the applicable Interconnection Request form, such as Appendix 1 to the GIP, with all information updated as of the submittal.

Section 2.2: Deficiencies Curable by Transition Readiness Deadline

If an Interconnection Request fails to meet the requirements set forth in Sections 2.1.2, 2.1.4, 2.1.5 or 2.1.6 by no later than thirty (30) Business Days after the Transition Close Date, IPA shall notify the Interconnection Customer within fifteen (15) Business Days of such failure. Interconnection Customer shall provide IPA the additional requested information needed to satisfy the requirements of Section 2.1 by no later than the Transition Readiness Deadline. Transition Requests that do not meet the requirements in Section 2.1 of this Transition Process by the Transition Readiness Deadline shall be deemed withdrawn.

3. TRANSITION REQUEST CLUSTER STUDIES

Section 3.1: Transition Cluster Preparation

Within five (5) Business Days following the Transition Readiness Deadline, IPA shall post on its OASIS site a list of all Transition Requests to be included in the Transition Cluster Study.

Within ten (10) Business Days of the Transition Readiness Deadline, IPA shall hold a scoping meeting, consistent with the process described in GIP Section 3.3.4, with all Transition Requests to be studied in the Transition Cluster.

All Transition Requests that meet the requirements of Section 2.1 of this Transition Process by the Transition Readiness Deadline and that have executed a Cluster Study Agreement in the form of Appendix 3 to IPA's GIP shall be included in that Transition Cluster Study. Any Transition Requests that do not meet the requirements of Section 2 to be eligible to enter the Transition Cluster Study or that are undergoing Dispute Resolution as of the Transition Readiness Deadline shall not be included in the Transition Cluster.

Section 3.2: Transition Request Cluster Study Agreement

Unless otherwise agreed, by no later than five (5) Business Days following the Transition Readiness Deadline, IPA shall provide to Interconnection Customer a Cluster Study

Agreement in the form of Appendix 3 to IPA's GIP. Pursuant to the Cluster Study Agreement, the Interconnection Customer shall compensate IPA for the actual costs of the Transition Cluster Study in accordance with the Study Cost Allocation methodology in GIP Section 4.2.2, net of any remaining study deposits already provided by the applicable Interconnection Customer prior to the Effective Date. Along with the Cluster Study Agreement, IPA shall provide to Interconnection Customer a non-binding updated good faith estimate of the cost for completing the Transition Cluster Study.

Section 3.3: Execution of Transition Cluster Study Agreement

Interconnection Customer shall execute and return the Cluster Study Agreement to IPA no later than fifteen (15) Business Days after the Transition Readiness Deadline. If the Interconnection Customer elects not to execute the Transition Cluster Study Agreement, its Interconnection Request shall be deemed withdrawn.

Section 3.4: Conducting the Transition Cluster Studies

IPA may conduct separate Transition Cluster Studies for different electrically relevant areas as set forth in this Section 3.4 and its subsections. After all Interconnection Customers in the Transition Cluster that have met the requirements of Section 2.1 of this Transition Process have executed Cluster Study Agreements or the time period for such execution under Section 3.3 has lapsed, IPA will commence the Transition Cluster Studies and perform such Transition Cluster Studies pursuant to the procedures in GIP Sections 7.4 and 7.5.

Section 3.4.1: Use of Cluster Areas

IPA may segment and perform the Transition Cluster Studies according to geographically and electrically relevant areas on IPA's Transmission System ("Cluster Area") in the manner described in GIP Section 7.4.

Section 3.4.2: Scope of Transition Request Cluster Study

The Transition Cluster Study shall have the same scope as the scope of the Cluster System Impact Study, as set forth in GIP Section 7.3.

IPA shall use Reasonable Efforts to complete the Transition Cluster Study no later than one hundred-fifty (150) Calendar Days after the Transition Readiness Deadline.

Section 3.5: Allocation of IPA's Interconnection Facilities and Network Upgrade Costs Within Transition Cluster Studies

Except as may be modified in Section 3.7 in this Transition Process, for Transmission Provider's Interconnection Facilities and Network Upgrades identified in Transition Cluster Study, IPA shall calculate the share of costs for each Interconnection Customer within the Transition Cluster in accordance with the allocation methodology in GIP Section 4.2.3.

Section 3.6: Transition Request Cluster Study Report and Meeting with IPA

IPA will publish a report following the completion of the Transition Cluster Study (“Transition Cluster Study Report”). Within ten (10) Business Days of furnishing Transition Cluster Study Report or, if a Transition Re-Study was required pursuant to the procedures in GIP Section 7.5(c) a re-study report (“Cluster Re-Study Report”), to Interconnection Customers and posting such report on OASIS, IPA shall convene an open meeting to discuss the study results (“Cluster Study Report Meeting” or “Cluster Re-Study Report Meeting”). IPA shall, upon request, also make itself available to meet with individual Interconnection Customers after the report is provided.

4. RE-STUDIES

If re-study of the Transition Cluster Study is required due to a project from Transition Cluster dropping out, or a modification of a higher queued project subject to GIP Section 7.5, IPA shall notify Interconnection Customer(s) in writing. IPA shall make Reasonable Efforts to ensure such re-study takes no longer than one hundred fifty (150) Calendar Days from the date of notice. Any cost of re-study shall be borne by Interconnection Customer(s) being re-studied in accordance with Section 3 of this Transition Process.

5. INTERCONNECTION FACILITIES STUDIES FOR TRANSITION REQUESTS

Section 5.1: Increased Readiness Showing

Except for Late-Stage Transition Requests electing not to enter a Transition Cluster, which are subject to separate readiness requirements under Section 1.2.1 of this Transition Process, before a Transition Request can proceed to the Facilities Study phase, the applicable Interconnection Customer must make an enhanced readiness showing as set forth in Section 5.2 of this Transition Process.

Section 5.2: Facilities Studies

IPA will conduct a separate Facilities Study for each Transition Request. Simultaneously with the issuance of the Transition Cluster Study Report, or Transition Cluster Re-Study Report if any, IPA shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to the GIP. The Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate IPA for the actual cost of the Interconnection Facilities Study. Within ten (10) Business Days following the Cluster Study Report Meeting or, as applicable Cluster Re-Study Report meeting, IPA shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to IPA within thirty (30) Calendar Days after its receipt, together with:

- (a) Any required technical data;

- (b) A demonstration of Site Control pursuant to Section 2.1.2(b) of this Transition Process; and
- (c) Demonstration of a Readiness Milestone option in Section 2.1.1(b) or (c) of this Transition Process.

Interconnection Customers that fail to timely return an executed Interconnection Facilities Study Agreement or fail to satisfy the requirements of this Section 5.2 and its subparts will be deemed withdrawn. Withdrawal of Interconnection Requests at this stage may trigger a Cluster Re-Study.

Section 5.3: Other Facility Study Procedures

Except as otherwise provided in this Section 5, Interconnection Customer and IPA shall follow the procedures governing Facility Studies in the GIP.

6. GENERATOR INTERCONNECTION AGREEMENT (GIA)

Interconnection Customer and IPA shall follow the procedures Generator Interconnection Agreements in the GIP.

7. WITHDRAWAL

Interconnection Customer may withdraw its Transition Request at any time by written notice of such withdrawal to IPA. In addition, if Interconnection Customer fails to adhere to all requirements of this Transition Process or the GIP (as applicable), except as provided in GIP Section 13.5 (Disputes), IPA shall deem the Transition Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify IPA of its intent to pursue Dispute Resolution.

An Interconnection Customer that withdraws or is deemed to have withdrawn its Transition Request shall pay to IPA all costs that IPA prudently incurs with respect to that Transition Request prior to IPA's receipt of notice described above. Interconnection Customer must pay all monies due to IPA before it is allowed to obtain any Interconnection Study data or results. The additional Withdrawal Penalties under the GIP will not apply to withdrawn Transition Requests.