

Temporary Interconnection Queue Management Rules Relating to Applicants Seeking Federal Tax Credits

In support of developers in meeting project deadlines for federal tax credit eligibility under Public Law 119-21, 139 Stat. 72 (July 4, 2026), and in accordance with updated guidance from the Internal Revenue Services (IRS) and recommendations from the NYS Department of Public Services (DPS), PSEG Long Island will be implementing revisions to its current Small Generator Interconnection Procedures (SGIP), with the addition of Appendix S.

Once approved by LIPA, Appendix S will be added to the SGIP and published to the PSEG Long Island website. Information regarding the proposed modified Tariff for Electrical Service to modify the SGIP will be provided on the LIPA's website for Proposed Rulemaking, found at: <https://www.lipower.org/proposed-rulemaking/>.

The temporary revised interconnection queue management framework is designed to categorize participating projects into two major groups with subgroup designations. The primary purpose of the group designations is to establish a dynamic framework which will provide relevant information to applicants and developers and allow PSEG Long Island to process applications efficiently and effectively coordinate during the installation processes to assist in meeting the in-service deadlines for federal tax credit eligibility.

Details and provisions relating to group designations will be outlined in the published Appendix S and will consist of major Group A and Group B designations with minor subgroup B.1 and B.2 designations. As a brief overview of the group designations, Group A designated projects will consist of projects that have applied for interconnection through the SGIP and are eligible for receiving federal tax credits and have been determined to not require any qualifying upgrades to be placed in-service. Group B designation projects will consist of projects that have applied for interconnection through the SGIP and are eligible for receiving federal tax credits and have been determined to require qualifying upgrades in order to be placed in-service, with subgroups B.1 and B.2 pertaining to the date in which the cost threshold for mobilization of the qualifying upgrade has been achieved. Information on the qualifying upgrades pertaining to projects within Group B will be published on the PSEG Long Island website at a later date.

Beginning on July 1, 2026, PSEG Long Island will notify developers with existing active application projects in the SGIP interconnection queue, requesting relevant information of their associated projects. Developers in Group A must provide the requested information to PSEG Long Island within 15 business days of receiving the notification. The purpose of this information request is to establish if the notified project wants to participate in the temporary queue management and receive a group designation. Please note that while the requested information is required for participation in the temporary interconnection queue, participation in the temporary queue is entirely voluntary. Choosing not to participate will not affect a project's status in the existing interconnection queue.

Renewable technology interconnection projects eligible for federal tax credits wanting to participate in the temporary interconnection queue after the initial information request notification, July 1, 2026, may still be eligible for participation in the temporary queue management process and receive a group designation by submitting to PSEG-LI-PAMInterconnect@psegliny.com the following information:

- **Project PAM ID# (PAM-XXXX-XXXXXX):**
- **Commenced Construction Date (MM/DD/YYYY):**
- **Proposed In-Service Date (MM/DD/YYYY):**