PSEG Long Island Interconnection Working Group

At the request of various distributed energy resources and concerned organizations of Long Island, PSEG Long Island, as agent for and on behalf of LIPA, has agreed to conduct an Interconnection Working Group ("Working Group") to help facilitate implementation of New York State's clean energy standard by creating a forum for joint discussions and recommendations, if applicable, on technical and procedural interconnection matters affecting the interconnection of solar and other distributed energy resources (collectively "DG") to LIPA's electric system in accordance with applicable legal requirements.

Our goal is to help ensure that the interconnection and operation of DG maintain the reliability and resiliency of the LIPA power system, while minimizing costs to DG and customers in LIPA's service territory. The Working Group, consisting of industry and utility representatives, each led by a selected member of industry and PSEG Long Island, will be an open forum through public notification of meetings to members of the DG industry, environmental interests, and other interested parties. The Working Group will engage in ongoing conversation regarding important topics and seek consensus on addressing issues arising from DG interconnection on Long Island.

A primary objective of this Working Group will be to discuss and arrive at recommendations on interconnection technical and procedural issues. Such issues may include, but are not limited to, DG protection equipment, utility protection equipment interfacing with the DG resources, and DG operational requirements. These recommendations will be sent to PSEG Long Island management for review and possible implementation.

Direct engagement with the DG community will help PSEG Long Island understand the experience of DG developers in interconnecting with LIPA's system and discuss what improvements might further facilitate investments in DG technologies. We look forward to industry and public participation in the Working Group to help LIPA achieve New York State's Clean Energy Goals in a safe, reliable and cost-effective manner that serves our customers' needs.

Described in the Charter below is the scope and core operating principles of the Working Group.

Interconnection Working Group Charter

Compliance with Laws and Regulations

It is the policy of the PSEG Long Island and LIPA to comply with all applicable laws and regulations. Meetings of the Working Group will be conducted in accordance with the Working Group Compliance Guidelines. Working Group participants when engaging in any activity related to the Interconnection Working Group are required to adhere to these guidelines, a copy

of which is attached to this Charter and made a part hereof. Industry Working Group participants are responsible for seeking the advice of their own legal counsel to ensure their compliance with all applicable laws and regulations, including, without limitation, federal and state antitrust and competition laws.

General Function

The DG technologies within the scope of the Working Group include small solar, wind, energy storage, fuel cell, biogas, landfill gas, cogeneration, and any other technologies eligible under LIPA's Smart Grid Small Generator Interconnection Procedure ("SGIP").

The Working Group, consisting of industry and utility participants, each led by a primary representative, shall engage in ongoing conversation and seek consensus on select topics/issues and recommendations for updating of DG technical and procedural processes related to the SGIP.

Group Composition

The Working Group shall consist of industry and utility representatives, each led by a person of their choosing. Attendance and participation is voluntary and open to all industry participants, including the DG industry, environmental and public interest groups ("public interest representatives").

Scope

The Working Group will focus efforts on key interconnection technical and process issues. This forum will provide a "technical/process improvement pathway" for consideration of technical interconnection issues by PSEG Long Island management.

Focus areas may include advice and recommendations on: (a) revisions and maintenance of existing and new DG technical requirements and procedures under LIPA's SGIP and (b) other issues recommended for discussion by utility or industry participants or public interest representatives.

Liaisons and Communication

The Working Group activities will be posted on the PSEG Long Island website. This webpage will be used for communication and sharing of meeting notices, minutes or other information.

Led by the working group leads, Working Group participants will act as liaisons to facilitate information sharing with DG industries and help to prioritize topics for Working Group meetings.

Topic Selection & Agendas

Based on input from Working Group participants, Working Group leads will develop agendas for upcoming meetings. The agenda will need to be reviewed and approved by PSEG Long Island. All requests for agenda topics should be sent to both industry and utility leads.

Research Functions

The Working Group will review and interpret DG interconnection technical papers and studies for potential applicability or changes to existing policies.

Decision Making Process

The goal of the Working Group is to reach consensus on select topics/issues for recommendations to be made to PSEG Long Island management consistent with the Working Group Compliance Guidelines. Working Group recommendations where a consensus has been reached shall be routed to senior PSEG Long Island management for review and possible implementation. PSEG Long Island management will also review areas of non-consensus and the summary of the positions of the parties so that management can decide if further action is needed. PSEG Long Island's authority to implement recommendations is governed by its Operating Services Agreement with LIPA.

Meeting Frequency

The Working Group will meet at least six times over the one-year period, and additional meetings will be scheduled as needed, depending on availability and on electric system needs and emergencies.

Reservation of Rights

PSEG Long Island reserves the right to modify this charter at any time and to determine when to schedule any Working Group meetings and the agenda for any such meetings. PSEG Long Island and LIPA have the right to update and modify the technical and procedural interconnection requirements, and this Working Group does not change the process of updating interconnection documents.