

I. General Information (continued):**B. Abbreviations and Definitions (continued):**

Demand Customer: A Customer who is billed for Demand charges.

Demand Meter: The device that records the maximum amount of power used by the Customer over a 15-minute interval during a specific period, such as a month.

Department: The New York State Department of Public Service.

Deposit: A sum of money given as security for payment of service.

Distribution Facilities: Facilities used to distribute electric energy to consumers, including supply lines, distribution lines, service laterals, and accessory equipment.

Distribution Line(s): A system of poles, wires, ducts, conduits, and additional equipment used for the shared distribution of electricity to Customers.

E

Easement: (See *Right-of-way*)

Eligible Net Metering Technology/Technologies: The list of eligible technologies is: Solar Electric Generating Equipment, Wind Electric Generating Equipment, Micro-Hydroelectric Generating Equipment, Micro-Combined Heat and Power (CHP) Generating Equipment, Fuel Cell Electric Generating Equipment, Farm Waste Electric Generating Equipment, Stand Alone Storage Equipment, Regenerative Braking, Vehicle-to-Grid, or other generating equipment identified as a Tier 1 technology as defined in Appendix A of the CES Order of the New York Public Service Commission issued August 1, 2016 in Cases 15-E-0302 and 16-E-0270. Tier 1 technologies are required to take compensation based on the Value Stack.

Energy: Energy is electric power, used or supplied over time, and measured in KWH.

Existing Overhead Areas: Areas in which electric distribution facilities are constructed overhead, and there are no requirements to construct facilities underground.

F

Farm Waste Electric Generating Equipment: Equipment that generates electric energy from biogas produced by anaerobic digestion of agricultural wastes, such as livestock manure, farming wastes and food processing wastes with a rated capacity of not more than five thousand (5,000) kilowatts that is manufactured, installed and operated by Customer-generator in accordance with applicable government and industry standards, connected to the electric system and operated in conjunction with the Authority's transmission and distribution facilities, operated in compliance with the Authority's standards and requirements established therefor, fueled at a minimum of ninety (90) percent on an annual basis by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues, and food processing waste, and fueled by biogas generated by anaerobic digestion with at least fifty (50) percent by weight of its feed stock being livestock manure on an annual basis.

Fuel Cell Electric Generating Equipment: A solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell, with a combined rated capacity of not more than ten (10) kilowatts for a residential customer or with a rated capacity of not more than five thousand (5,000) kilowatts for a non-residential customer, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in compliance with the Authority's standards and requirements established therefor. This definition, including the capacity limits specified herein, does not apply to fuel cells participating in the Fuel Cell Feed-in Tariff.

Fuel and Purchased Power Cost Adjustment Clause: See definition for Power Supply Charge.

Full-Requirements Customer: A Customer whose electric power requirements are all supplied by the Authority. (See *Customer – Full Requirements Customer*)

G

Generation Project: A specific project that is eligible to participate in the Commercial Solar, Fuel Cell, or Solar Communities Feed-In Tariffs under Service Classification No. 11 – Buy-Back Service.

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)**9. Solar Communities Feed-in Tariff:

The Authority establishes a Solar Communities Feed-in Tariff ("Solar Communities FIT") to obtain solar photovoltaic renewable resources to support the Solar Communities program under the terms defined below.

a) Who Is Eligible

Solar generation projects that qualify under and satisfy all the requirements of this Tariff including the Smart Grid Small Generator Interconnection Procedures ("Smart Grid SGIP"), and NYISO's Small Generator Interconnection Procedures as applicable, with a minimum output of 200 kW and maximum output of less than 5,000 kW, and will enter into a Solar Power Purchase Agreement for the Solar Communities FIT (the "Power Purchase Agreement").

- (1) Generation is limited to solar photovoltaic (PV) systems that generate electricity directly from sunlight.
- (2) Projects must be connected directly to the Authority's electric system with a dedicated meter.
- (3) PV systems are required to use smart inverters that conform to LIPA's technical interconnection requirements. The operation of the smart inverters may limit the amount of energy that the Generation Project provides to the system and correspondingly limit the compensation received by the Generation Project.
- (4) PV systems are precluded from participating in the Commercial System Relief Program or the Distribution Load Relief Program.
- (5) Projects are limited to renewable generating technologies that are approved for the Renewable Energy Standard (as defined in the Power Purchase Agreement) at the time the project is accepted.

b) Who Is Not Eligible

- (1) Generation Projects that were interconnected to the Authority's system as of the date of applying for this Solar Communities FIT are not eligible to participate.
- (2) Generation Projects that are in the Smart Grid SGIP queue or NYISO interconnection queue prior to being accepted for this Solar Communities FIT are not eligible to participate unless they withdraw from such queue.

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)****Solar Communities Feed-in Tariff (continued):**

- c) The Power Purchase Agreement will be available on the Manager's website and at its business offices.
- d) All of the Solar Products (as defined in the Power Purchase Agreement) from the facility will be sold to the Authority pursuant to the Power Purchase Agreement. Solar Products include all solar PV electric capacity and energy, ancillary services (as defined in the Power Purchase Agreement), and environmental attributes (as defined in the Power Purchase Agreement).
- e) The Authority will purchase Solar Products at a fixed price per kWh for a fixed term of 20 years.
- f) The solar generation project owner will be responsible for all interconnection costs and all other costs of developing, installing, operating and maintaining the renewable generating and all other costs and charges, as specified in this Service Classification or elsewhere in the Tariff. Solar generation projects intending to connect to the distribution system (point of interconnection on 13 kV or lower) must meet all the requirements of the Smart Grid SGIP. Solar generation projects intending to connect to the transmission system (Point of Interconnection on 23 kV or higher) must adhere to the NYISO's Small Generator Interconnection Procedures as applicable.
- g) Solar generation project will be subject to the Maintenance Charges for Interconnection Equipment as per VIII.O.10.a).(5)
- h) Non-synchronous solar generation projects proposing to connect to the transmission system must comply with the requirements listed in the document "Statement for Performance Requirements for Transmission-Connected Resources Using Non-Synchronous Generation," found on the Manager's website under "About Us" and then "Legal and Regulatory Documents". The requirements of this document do not supersede the requirements of the Smart Grid SGIP, or NYISO's Small Generator Interconnection Procedures. This requirement is in addition to those documents.
- i) In addition to the foregoing requirements, all solar generation projects and associated interconnection facilities must be designed to withstand 130 mph winds and have equipment elevations to accommodate updated one-in-500 year flood zones.
- j) The solar generation project owner shall be responsible for obtaining any and all necessary permits and approvals for solar generation project facilities and interconnection facilities and for conducting all necessary public outreach.
- k) Solar generation projects that are not selected for the program may sell their generation to the Authority under the general terms of this Service Classification No.11 - Buy-Back Service, if they meet the qualifications or may apply for Net Metering or Community Net Metering pursuant to the Authority's rules for Net Metering or Community Net Metering.
- l) The solar generation project owner will be paid on a monthly basis for each kilowatt-hour delivered to the Authority as measured by the dedicated meter at applicable rates. If the Authority determines that more than an incidental amount of energy (1% of gross output of the generator in a given month) is flowing to the solar generator project's site under this arrangement, then purchases and payments may be terminated until such time as the cause of the amount flowing to the site can be determined and remedied by the solar generator project owner to the Authority's satisfaction or agrees to pay for Station Service on all inflows of power to the Generation Project

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):****(Rate Code: 289)****Solar Communities Feed-in Tariff (continued):**m) Sloped Bid Price Cap

The maximum price of bids that will be accepted declines as a piecewise linear function of accepted capacity. The Sloped Bid Price Cap can be found in the Statement of Solar Communities Feed-in Tariff.

n) Rates and Charges for Purchase

The Authority will pay for the purchase of Solar Products for 20 years at the as-bid rate submitted in each Generator Project's bid as defined below. The rate will be a fixed price expressed in \$/kWh to the nearest \$0.0000 for any specific solar generator project selected by the Authority for the term of the Power Purchase Agreement.

At the end of every evaluation period, which will take place from time to time, the Authority will publish the amount that has been accepted in the Solar Communities FIT project in the Statement of Solar Communities Feedin Tariff.

o) The enrollment target is set at 20 MW (AC rating). The Authority may at any time increase the enrollment target up to 30 MW (AC) at which time it will determine the changes to the Sloped Bid Price Cap and provide that information sixty days prior to a quarterly evaluation period.

p) Generator Bidding Process for the Enrollment Period from 6/1/2020 to 9/30/2020

The Authority will solicit standardized bids from eligible Generation Projects between June 1, 2020 and September 30, 2020, inclusive. Bids must be submitted electronically to the Authority at the address shown on the Manager's website. The Manager is authorized to establish limitations on the size and format of applications or establish other restrictions as it deems appropriate for the operation of its website.

(1) The Authority will provide non-binding guidance with respect to estimates of available capacity to prospective bidders with regards to potential points of interconnection within the Authority's electric system through information posted on the Manager's website. Substations that are at or near their maximum injection capacity would necessitate extensive modification to incorporate the injection of new resources. The cost of all modifications shall be borne solely by the bidder.

(2) The bidder will specify the bidder's proposed capacity in AC rating to the nearest whole Watt, proposed connection point (including substation and circuit designation or interconnection point), and proposed fixed price per kWh. Bidders may, but are not required to, specify alternative capacity amounts smaller than the proposed capacity. If a bidder is submitting multiple bids with identical price and capacity, the bidder will also specify a preferred priority order for such bids in the event that some but not all may be accepted under the evaluation process specified below.

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)
Solar Communities Feed-in Tariff (continued):**

- (3) The Authority will not accept a bid whose fixed price exceeds \$0.1649/kWh ("Maximum Price Cap"). A Generation Project's bid will be rejected as nonresponsive if the fixed price bid exceeds the Maximum Price Cap or if it is incomplete or otherwise not in conformance with the provisions of this Tariff.
- (4) The Authority will evaluate the Generation Project's bids for responsiveness as they are received. For bids received prior to September 16, 2020, and if time allows, the Authority will attempt to inform the bidder in the event that a bid is deemed non-responsive or may be subject to additional interconnection costs. Notified bidders will be given the opportunity to remedy the deficiency by resubmitting the bid on or before September 30, 2020. The Authority does not guarantee that sufficient time will be afforded to the bidder for resubmittal.
- (5) The Authority will evaluate bids as follows:
- Step 1 Complete and responsive bids will be ranked in price order with the lowest bid price given the highest priority. Where multiple bids are received with the same bid price, the bid with the smaller capacity will be prioritized ahead of the bid with the larger capacity. Where multiple bids are received with the same bid price and the same capacity, priority will be given to the single highest priority ranked bid of each individual bidder among the group of bids with identical bid price and capacity. One bid per bidder with identical bid price and capacity in AC rating may be considered equal in priority, and will be evaluated as a single combined project for purposes of bid evaluation only.
- Step 2 Bids will be reviewed by the Authority using the SGIP's preliminary screening process to determine if the Generation Project can be integrated into the system at that location based on the proposed size. If the Generation Project passes the preliminary screening at its proposed size or at a level above its minimum proposed size the project will be advanced for further evaluation at the highest level of capacity that satisfies the preliminary screening process. If the Generation Project fails the preliminary screening process it will be excluded from further evaluation and the excluded Solar Feed-in Tariff bid(s) will be added to the waiting list (see Section VIII.O.9.q).

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):****(Rate Code: 289)****Solar Communities Feed-in Tariff (continued):**

Step 3 Complete and responsive bids will be evaluated sequentially in order from highest priority to lowest priority as determined in Steps 1 and 2.

Step 4 Starting from the highest priority, the first bid will be accepted into the Solar Communities FIT for further consideration if it satisfies all three of the following conditions:

- a) The bid capacity does not exceed 5 MW or the remaining available capacity for the substation as determined in Step 2; and
- b) The bid capacity does not exceed the remaining available capacity for the circuit as determined in Step 2; and
- c) The bid price is less than or equal to \$0.1649 per kWh.

If the bid fail to satisfy one or more of the conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the waiting list (see Section VIII.O.9.q below).

Step 5 Moving to the next highest priority bid, the amount of accepted capacity will be set to the accepted capacity of the first bid. The maximum bid price will be determined by evaluating the Sloped Bid Price Cap, as found in the Statement of Solar Communities Feed-in Tariff, at the point that reflects the acceptance of the first bid. The next highest priority bid will be accepted into the Solar Communities FIT for further consideration if it satisfies all of the following conditions:

- a) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same substation, does not exceed 10 MW or the remaining available capacity for the substation as determined in Step 2; and
- b) The bid capacity, combined with the aggregate capacity of all higher priority accepted bids proposing to interconnect to the same distribution circuit, does not exceed the remaining available capacity for the circuit as determined in Step 2; and
- c) The bid price is less than or equal to the newly determined price cap based on prior accepted capacity; and
- d) The total accepted bid capacity, including the particular bid being evaluated does not exceed the enrollment target (see Section VIII.O.9.o above) plus up to 2 MW more as required to accept the proposed capacity of the latest accepted bidder.

If the bid fails to satisfy one or more of the conditions above, the bid will not be accepted and will be removed from the evaluation process and added to the waiting list (see Section VIII.O.9.q below).

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):****(Rate Code: 289)****Solar Communities Feed-in Tariff (continued):**

Step 6 The same sequence of lowering the price cap to reflect the latest accepted bid and then moving to the next project on the priority list will continue until one of the following criteria have been met:

- a) Accepted capacity meets or exceeds the enrollment target (see Section VIII.O.9.o above);
- b) The bid price of the next highest priority project exceeds the price cap as determined based on total capacity from all of the previously accepted bids; or
- c) No complete and responsive bids remain to be evaluated.

Step 7 A Power Purchase Agreement at the rate proposed in each bid will be offered to all successful bidders for a term of twenty (20) years. The terms of the Power Purchase Agreement are non-negotiable.

- (6) Upon completion of Step 7 above, the Authority will notify solar generation project owners of their acceptance or non-acceptance into the Solar Communities FIT. Solar generation project owners with responsive bids that were not accepted will be placed on a waiting list unless the bidder requests otherwise in a written request to the Authority.
- (7) Once notified of acceptance, solar generation projects then must apply within 10 business days for interconnection with the Authority's system under the Smart Grid SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted Generation Projects will be expected to complete the interconnection process in accordance with the timelines in the Smart Grid SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. The solar generation project owner shall be responsible for any and all interconnection and system upgrade costs.
- (8) The Authority will apply the procedures in the Smart Grid SGIP and NYISO's Small Generator Interconnection Procedures, as applicable, to determine how long an applicant may take to complete the interconnection process before forfeiting its acceptance in the Solar Communities FIT.
- (9) Requirements for the execution of the Power Purchase Agreement include:
 - (i) Completion of the Smart Grid SGIP and NYISO Small Generator Interconnection Procedure, as applicable
 - (ii) Completion of the Interconnection Agreement
 - (iii) Demonstration of site control
 - (iv) Submission of a Certificate of Insurance

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):****(Rate Code: 289)****Solar Communities Feed-in Tariff for Solar Photovoltaic Renewable Resources
(continued):**q) Waiting List for the Enrollment Period from 10/1/2020 to 6/30/2022

The Authority will continue to accept applications from eligible solar generation projects until June 30, 2022. For the duration of this enrollment period, all responsive bids that have not been accepted into the Solar Communities FIT nor withdrawn by the Generation Project owner will be on the waiting list.

- (1) In order to provide guidance to prospective applicants with regards to potential points of interconnection within the Authority's electric distribution system, remaining available capacity on specific distribution circuits and substations will be displayed on the website of the Manager, and updated from time to time as circumstances warrant.
- (2) At any time after the initial award of Power Purchase Agreements and before June 30, 2022, the Authority may offer a Power Purchase Agreement for a complete 20 year term to projects on the waiting list that allow the Authority to achieve but not exceed the Authority's enrollment target.
- (3) These subsequent enrollment periods will consist of quarterly evaluation periods ending March 31, June 30, September 30 and December 31, beginning after the initial award of Power Purchase Agreements on or before January 1, 2021 and continuing until June 30, 2022. The Authority will evaluate bids on the wait list after the conclusion of each quarterly evaluation period according to the same Steps 1, 2, 3, 5, 6 and 7 specified in Section VIII.O.9.p.5 The price cap for the highest priority bid in each evaluation period will be determined according to the definition in the Statement of Solar Communities Feed-in Tariff, evaluated for total capacity of accepted Generation Projects that have not withdrawn or forfeited acceptance in the Solar Communities FIT.
- (4) Upon completion of any quarterly evaluation period, the Authority will notify successful Generation Project owners, if any, of their acceptance into the Solar Communities FIT. Solar generation project owners with wait list bids that were not accepted will remain on the wait list unless the bidder requests otherwise in a written request to the Authority.
- (5) Applicants in the waiting list will be evaluated for remaining available capacity on the designated circuit and substation. Applicants that exceed the remaining available capacity on a given circuit or substation will be removed from consideration, but may remain in the waiting list. In the event that multiple applicants propose to interconnect to the same circuit or substation leading to an exceedance of available capacity, the applicants will be evaluated in priority order to determine which applicants are removed from consideration.

An applicant subject to the SGIP, that fails the SGIP preliminary screen may request that the Authority complete, at the applicant's expense, the appropriate interconnection study required by the Smart Grid SGIP. If the Smart Grid SGIP interconnection review process concludes that the project can be interconnected to the system it will be advanced for further evaluation on the Solar Communities FIT waiting list. Projects applying for interconnection above 13KV should follow the NYISO SGIP process.

VIII.SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):****(Rate Code: 289)****Solar Communities Feed-in Tariff (continued):**

- (6) Once notified of acceptance from the Solar Communities FIT wait list, solar generation projects then must apply within 10 business days for interconnection with the Authority's system under the Smart Grid SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. Accepted solar generation projects will be expected to complete the interconnection process in accordance with the timelines in the Smart Grid SGIP and NYISO's Small Generator Interconnection Procedures, as applicable. The Generation Project owner shall be responsible for any and all interconnection and system upgrade costs.
- c) Without waiving or limiting any other rights of the Authority, the Authority reserves the right to withdraw its acceptance of a Generation Project into the Solar Communities FIT in the event that: 1) a solar generation project with an expected rated capacity of 200 kW to 1 MW fails to demonstrate site control within six (6) months following the date on which a Power Purchase Agreement is offered to such solar generation project in accordance with Step 7 in Section VIII.O.9.p.5; 2) a solar generation project with an expected rated capacity greater than 1 MW fails to demonstrate site control within twelve (12) months following the date on which a Power Purchase Agreement is offered to such solar generation project in accordance with Step 7 in Section VIII.O.9.p.5; or 3) a solar generation project fails to comply with the Tariff, the Smart Grid SGIP, NYISO's Small Generator Interconnection Procedures, as applicable, or the Interconnection Agreement.
- d) Solar generation projects in active consideration during the evaluation process will be considered to have priority over any projects submitted to the SGIP process after September 30, 2020 until such time as solar generation projects are notified of acceptance and are afforded the 10 days to submit their applications into the Smart Grid SGIP process.
- e) The application fee is the higher of (a) \$1,000; or (b) \$1 per kilowatt capacity (AC rating) of the proposed project, to be submitted at the time of application by certified check made payable to PSEG Long Island. The fee is non-refundable.
- f) The application fee will be waived for previously rejected Solar Communities FIT applications that are resubmitted with no modifications other than price.
- g) The Authority reserves the right, in its sole discretion, to reject and/or cancel any and all applications and/or bids, including those that have been accepted into the Solar Communities FIT following Step 7 in Section VIII.O.9.p.5, at any time prior to the execution of both the Power Purchase Agreement and Interconnection Agreement by all parties for any reason.

VIII. SERVICE CLASSIFICATIONS (continued):

**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)**

10. Rates and Charges

a) Charges to be paid by the Customer to the Authority

(1) Service Charge per Installation per Month

(a) A Customer who is interconnected at the distribution voltage level and taking service under this and another Service Classification, shall pay a monthly charge for the additional metering devices required for this Service Classification. This charge is in addition to the Contract-Demand Charges in (2) (c) below. However, Special Provision 10.(c) below may apply.

	<u>Regular Meter</u>	<u>Off-Peak Meter</u>
Secondary Voltage (7 KW and less)	\$7.50	\$12.75
Secondary Voltage (above 7 KW)	\$12.25	\$15.00
Primary Voltage:	\$65.00	\$87.50

(b) A Customer interconnected at the distribution voltage level and taking service only under this Service Classification, shall pay a monthly charge for local facilities (meter, service, line extension plant). This charge is in addition to the Contract-Demand Charges in (2) (c) below.

	<u>Regular Meter</u>	<u>Off-Peak Meter</u>
Secondary Voltage (7 KW and less)	\$21.00	\$35.00
Secondary Voltage (above 7 KW)	\$52.50	\$60.00
Primary Voltage:	\$105.00	\$120.00

(c) A Customer who is interconnected at the subtransmission or transmission voltage level shall pay the full cost of metering devices and any other Local Facilities as part of the Interconnection Charge in (4) below and will not pay a monthly Service Charge.

Long Island Power Authority

Statement of Solar Communities Feed-In Tariff (SCF)

Applicable to qualified Solar Communities Feed-in Tariff Projects under Service Classification No. 11.

Total Accepted MW of targeted 20 MW..... 0 MW

Slope Bid Price Cap:

When accepting between 0 and 15 MW, the price cap declines linearly from \$0.1649/kWh to \$0.1450/kWh. When accepting between 15 and 20 MW, the price cap declines linearly from \$0.1450/kWh to \$0.1300/kWh. Specifically, the price cap (PMax) in \$/kWh for any given quantity of accepted capacity in MW (Q) is given by the set of formulas below depending on the applicable range:

For 0 MW < Q ≤ 15 MW: PMax = 0.1649 – 0.0013267 * Q
For 15 MW < Q ≤ 20 MW: PMax = 0.1900 – 0.0030000 * Q

All MW quantities are AC rating.