Fault Current Margin Queuing Position Process for Parallel Synchronous Distributed Generation

Purpose: To establish an equitable process for allocating fault current margin, where available, to applicants who desire to install parallel synchronous distributed generation without fault current mitigation on Con Edison's primary electric distribution system. The Company may preclude the use of fault current margin, where available, because of engineering, reliability or other pertinent issues.

Definitions:

Company: Consolidated Edison Company of New York, Inc.

Load Area: An electrical distribution area, radial or network, that is supplied by a particular area substation.

Fault Current Margin (*FCM*): The amount in amperes by which the rated fault interrupting capability of the circuit breakers at an area substation exceeds the available fault current identifiable in a *Load Area.* The Company shall post on its DG web site a map that identifies operating areas without fault current limitations and a schedule of planned upgrades of breakers in operating areas with fault current limitations. FCM is re-calculated at regular intervals in order to reflect the contribution to fault associated with DG projects in the queue that have been assigned FCM allocations as well as system modifications that can change at any time due to a variety of factors, e.g., a change in transformer impedance.

FCM Queue Position: A numeric indicator representing the order in which parallel synchronous distributed generation projects will be allocated *FCM* for a particular *Load Area*.

Project Application for Electric Interconnection: A written application to the Company, using the appropriate Company form for the interconnection of a parallel synchronous distributed generation facility in a *Load Area*.

1.0 General

The Company will assign a *FCM Queue Position* for completed *Project Applications* when FCM is available for allocation in the *Load Area. FCM* is available for allocation in a *Load Area* -- unless engineering, reliability or other pertinent issues preclude the interconnection of additional parallel synchronous distributed generation without mitigation -- until such time as the fault current contribution of all sources of fault current in the load area, including in-service generators, is equal to 100% of the rated fault interrupting capability of the circuit breakers at the associated area substation.

No queue will be established for applications for parallel synchronous distributed generation without fault mitigation in Load Areas where the Company has determined that there is no *FCM*.

1.1 Assignment of *FCM Queue Position*

Where *FCM* is available for allocation, the Company will assign a *FCM Queue Position* to all *Project Applications* in the associated *Load Area* that the Company has determined to be complete. The *FCM Queue Position* shall be based upon the postmarked date and time of the delivery service used for such application if the application is complete. If the Company receives an incomplete *Project Application*, the Company will notify the applicant of the deficiencies, and a *FCM* Q*ueue Position* will not be assigned until such time that the *Project Application* is complete. The *FCM Queue Position* shall then be based upon the postmarked date and time of the delivery service used for the information that completes the application.

The Company will notify an applicant within five (5) business days of receiving a *Project Application* whether the application is complete.

1.2 *FCM* Allocation

The Company will determine whether FCM is available for allocation to completed *Project Application*s on the basis of the Company's most recent fault current availability study conducted for the associated *Load Area* and the information provided in the completed *Project Application.* The *FCM* shall be allocated to *Project Applications* by *FCM Queue Position* priority for the amount of fault current contribution associated with the project as indicated by the *Project Application.* FCM allocation once calculated and allocated to a project will not be changed/reduced as a result of future FCM re-calculations by the Company. FCM allocation once determined and accepted by the DG customer will be included in future FCM re-calculations as existing generation. An applicant may not increase the amount of fault current contribution associated with its project as identified in its completed *Project Application* even if the available *FCM* is greater than the amount of fault current contribution associated with the project as indicated by the completed *Project Application*. Within two (2) weeks of the Company's written notice of an allocation of *FCM*, the project applicant must inform the Company in writing of the amount of *FCM* that it intends to utilize up to the amount allocated (subject to the limitations set forth in Section 2.0). Failure to inform the Company within this time frame will result in the applicant being divested of its *FCM Queue Position* and allocated *FCM*. If an applicant is allocated *FCM*, and the applicant declines to proceed with the project, the applicant will be divested of its *FCM Queue Position* and its allocated *FCM*. Divested *FCM* will be available for allocation to subsequent *FCM Queue Positions* as provided herein. Notwithstanding the provisions below regarding Material Modifications, if an applicant chooses to utilize less *FCM* than allocated, the applicant shall submit within one month of its election a revised *Project Application* modifying its project to conform to the amount of the *FCM* that the applicant chooses to

utilize, and the excess *FCM* will be available for allocation to subsequent *FCM Queue Positions.* Except as described in paragraph 1.2.2.1 below, subsequent FCM re-calculations will not affect an applicant's FCM allocation or FCM queue position after the queue position is established and accepted by the applicant.

1.2.1 Applicants Allocated *FCM*

In the course of processing a *Project Application* the Company will conduct a preliminary review and develop a cost estimate for the coordinated electric system interconnection review (CESIR), subject to the appropriate time lines, where applicable. Applicants allocated *FCM* must execute an interconnection agreement within six (6) months from the time the applicant is sent the results of the preliminary review, an interconnection cost estimate, and an interconnection agreement. Failure to execute an interconnection agreement within this time frame will result in the applicant being divested of its *FCM Queue Position* and its allocated *FCM.* After execution of an interconnection agreement, the applicant will be divested of its *FCM Queuing Position* and its allocated FCM if the agreement is terminated or if the applicant does not commence commercial operation of the facility within one (1) year of execution. All divested *FCM* will be available for allocation to subsequent *FCM Queue Positions*.

1.2.2 Applicants Who File a completed *Project Application* and receive a *FCM Queue Position*, but the *FCM* has been Allocated to Higher *FCM Queue Position* Applicants

Applicants who are assigned a *FCM Queue Position* but are precluded from installing a project without fault current mitigation in a particular *Load Area* due to the unavailability of *FCM* for allocation will remain in the queue and maintain their *FCM Queue Position* subject to the following:

1. If the project(s) that were allocated *FCM* commence operation, thereby making the *Load Area* unable to sustain additional parallel synchronous distributed generation without fault current mitigation, all existing applicants who remain in the queue will be notified that there is no longer any unused *FCM* and their *FCM Queue Positions* will be eliminated.

2. If *FCM* becomes available, applicants holding *FCM Queue Positions* will be allocated *FCM* based upon their priority position in the queue up to the amount of fault current contribution associated with the project as indicated by the *Project Application*. If the allocated *FCM* is less than the amount of fault current contribution associated with the project as indicated by the completed *Project Application*, the applicant may elect to modify its project to conform to the

allocated *FCM*. Within two (2) weeks of the Company's written notice of such allocation, the applicant must inform the Company of the amount of *FCM* that it intends to utilize and *shall* submit a revised *Project Application* for any modified project within (1) one month of such notice. Failure to inform the Company and to submit a revised *Project Application* within these time frames will result in the applicant being divested of its *FCM Queue Position* and its allocated *FCM*. An applicant who modifies its project to conform to available *FCM* shall retain its *FCM Queue Position*, and if additional *FCM* becomes available, will be eligible for an additional allocation up to the difference between the amount of fault current contribution associated with the project as indicated by the completed *Project Application* and the *FCM* previously allocated.

3. If an applicant declines an allocation of FCM that is less than the fault current contribution associated with the project as indicated by the completed *Project Application*, the applicant will retain its place in the queue and the *FCM* will be allocated to the next highest priority *FCM Queue Position.*

All project costs, including those where an applicant modifies its project to conform to the amount of allocated *FCM*, will be borne by the applicant. The Company shall not bear any risk whatsoever regarding any actions taken or not taken by an applicant.

2.0 Material Modifications to an Application

In order to ensure consistency and allow the Company to properly evaluate all proposed projects considering the effects of each upon the electric system and one another, material modifications of a project will require a new *Project Application* and will result in the loss of a previously assigned *FCM Queue Position* and *FCM*.

The following modifications constitute a Material Modification:

- Change in a project that will increase the fault current contribution above the amount of fault current contribution associated with the project as indicated by the completed *Project Application.*

- Change in a project that will reduce the fault current contribution associated with the project by greater than 25% of the fault current contribution indicated by the completed *Project Application* (except when an applicant conforms its project to utilize allocated *FCM* that is less than the amount of fault current contribution associated with the project as indicated by the completed *Project Application*).

- Transfer of ownership for pecuniary gain.

- A site location change.

- An interconnection scheme change not initiated by the Company.

Prior to making any project modification other than those specifically permitted herein, the applicant may first request that the Company evaluate whether such modification is a Material Modification. In response to the applicant's request, the Company shall evaluate the proposed modifications and inform the Customer in writing of whether the modification would constitute a Material Modification.

Any costs incurred by the Company as a result of modification(s) made by an applicant that are not determined to be Material Modifications, and would not have been required but for the modification(s), will be charged to the applicant requesting the modification.

3.0 Existing Projects

All proposed parallel synchronous distributed generation projects that meet the requirements detailed above and that have a completed *Project Application* as of the date of this Fault Current Mitigation Queuing Position Process for Parallel Synchronous Distributed Generation shall be provided a *FCM Queue Position* in the respective *Load Area* where *FCM* exists. The *FCM Queue Position* for such pre-existing completed *Project Application* will be based on the date that the completed *Project Application* was received by the Company.

Pre-existing applications for parallel synchronous distributed generation projects where the Company has determined that there is no available *FCM* will be notified of such.