

HUDSON LIGHT AND POWER DEPARTMENT

DISTRIBUTED GENERATION POLICY

AVAILABILITY

These requirements are applicable to customers with Distributed Generation (DG), such as solar, wind turbine or other auxiliary generation interconnected with Hudson Light & Power Department's (HLPD) electric system. Such DG system must be owned by the HLPD customer; third party lease agreements will not be allowed to interconnect.

The maximum DG system size (nameplate) allowed on the HLPD system is 20 kW (DC for inverter systems; AC for other technologies). This limit shall apply per customer and per location. Customers owning multiple properties are limited to 20 kW in total. Customers with more than 20 kW of DG installed prior to December 2015 will be grandfathered.

The maximum energy HLPD will purchase from any one customer under this DG Policy (even if the customer has multiple DG systems or more than 20 kW capacity) is 30,000 kWh annually. Any customer delivering more than 30,000 kWh to HLPD will not be compensated for the excess over 30,000 kWh on a calendar year basis (note that a billing adjustment may be required after annual analysis of the total energy delivered to HLPD).

Customers interested in installing more than 20 kW (nameplate) of DG shall be required to negotiate a Power Purchase Agreement and Interconnection Agreement with the Department. These customers will be considered wholesale generators and will:

1. be responsible for all HLPD interconnection and legal costs,
2. be subject to HLPD portfolio limitations, circuit capacity limitations and feeder limitations,
3. negotiate the price to be paid for energy (must be market competitive), and
4. not be eligible for rebates

HLPD PURCHASE OF DG ENERGY:

HLPD does not provide for net metering of distributed generation. Pricing for energy delivered to HLPD from the DG system will be at HLPD's Power Adjustment Charge (PAC), as it is set from time to time. For any billing period that HLPD calculates an amount owed to a DG customer, a credit will be posted to customer's account. HLPD will carry forward, from billing period to billing period, any remaining credit balance. Balances exceeding \$250 will be processed for payment on an annual basis in March each year for customers in good standing upon request. Balances under \$250 in March shall continue to carry forward on the customer's account.

INSTALLATION REQUIREMENTS:

Customer shall provide to HLPD all the technical information for the system and related equipment at least four weeks prior to installation.

HLPD requires protective devices to be installed to prevent back-feed to its system during utility outages. The installation must conform to IEEE 929-2000 (including the use of a Utility Interface AC Disconnect Switch per section 5.4), UL 1741, and in compliance with requirements of the local wiring inspector. The Utility Interface AC Disconnect Switch shall be knife blade type, lockable, and installed adjacent to the HLPD meter. It shall remain accessible to HLPD for emergency use. It shall be labeled with a phenolic nameplate, white letters on a red background, approximately 3" x 5" and shall read similar to:

**Solar (Wind, Auxiliary, etc.) Power System
HLPD Interface
AC Disconnect Switch**

If UL 1741 is the standard to which the proposed DG system inverter is built, that standard provides adequate assurance that when manufactured the inverter will perform in a manner that prevents back-feed during islanding.

1. HLPD requires that the inverter be capable of separating the DG from the utility during island events for the life of the system. The system must be tested at least once per year to demonstrate its ability to protect against back-feed to the HLPD's system upon loss of line power. HLPD will accept a field test in lieu of the certification tests specified in UL 1741. Should the unit fail to pass the periodic islanding test, the inverter must immediately be taken out of service until it is restored to proper operation and successfully retested. HLPD reserves the right to witness such testing at its sole discretion including an initial commissioning test.

2. UL 1741 also imposes harmonic distortion limits on the inverter, and it will be the customer's responsibility to assure the system continues to perform within the limits after initial installation.

TERMS AND CONDITIONS

The installation of the DG system and inverter introduces potential liability for HLPD. Therefore, HLPD requires and the customer agrees that:

1. In the event that a failure of the anti-islanding feature causes damage to property and/or injury to any person(s), the customer will bear sole responsibility for any claims or damages.
2. Customers will also be solely responsible for any adverse impact to other customers as a result of a failure of their inverter to perform within the harmonic limits of UL 1741. The customer will be solely responsible for the costs to correct such impacts.
3. The customer will hold HLPD harmless for any damages that might occur to his/her DG/Inverter system or his/her property as a result of the interconnection to the HLPD's system.

HLPD's Standard Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of these requirements.

¹ Using PVWatts (www.pvwatts.nrel.gov) online solar model, a DG solar project of 20 kWdc would produce about 25,000 kWh annually. The HLPD annual limit shall be 25,000 kWh/year plus a 20% margin, or 30,000 kWh/yr.

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Filed by Brian R. Choquette, General Manager