South Carolina Generator Interconnection Procedures
Stakeholder Meeting

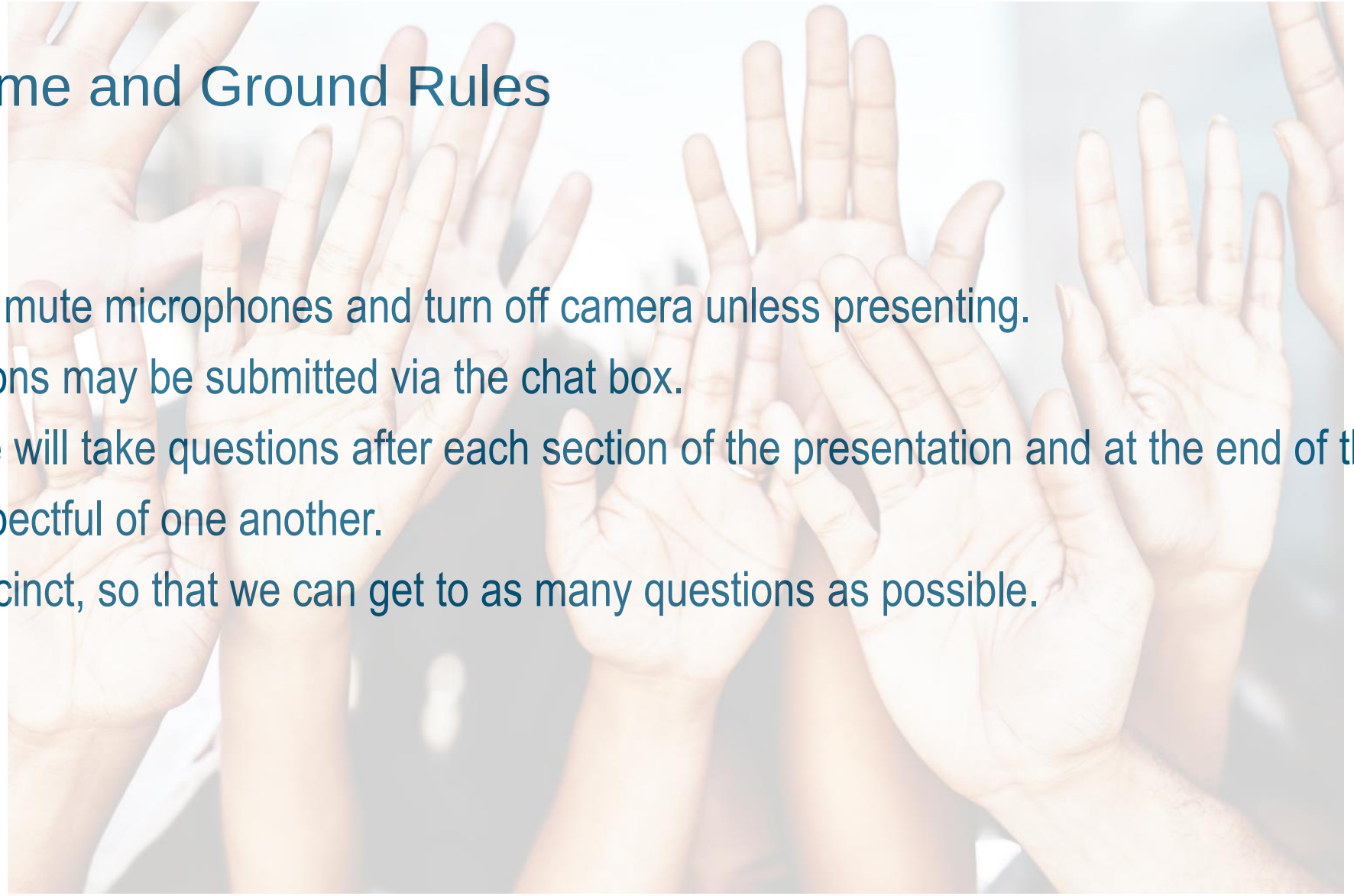
October 5, 2021



Dominion Energy®

DUKE ENERGY®

Welcome and Ground Rules



- Please mute microphones and turn off camera unless presenting.
- Questions may be submitted via the chat box.
  - We will take questions after each section of the presentation and at the end of the meeting.
- Be respectful of one another.
- Be succinct, so that we can get to as many questions as possible.

Agenda for the Meeting

1.	Welcome, Safety & Logistics	2:00 - 2:10pm
2.	Progress Since Last Meeting	2:10 - 2:20pm
3.	Key Areas of Proposed Change	2:20 - 3:05pm
4.	Stakeholder Presentation(s)	3:05 - 3:25pm
5.	General Q&A	3:25 - 3:45pm
6.	Wrap-Up and Next Steps	3:45 - 4:00pm

Recap and Progress

- First meeting held July 22, 2021
- Requested comments from stakeholders by August 16
- Feedback received from Alder Energy and Sunrun
  - Alder will present brief presentation/comments today
- SCGIP redline completed by DEC, DEP, and Dominion Energy
  - Presentation today will address specific sections of proposed changes

Summary of Proposed SC GIP Revisions

Jeff Riggins, Duke Energy
Director, Interconnection

Matt Hammond, Dominion Energy
Manager – Electric Transmission Support

Section 1 - Applicability

- Removal of reference to Network Resource Interconnection Service (NRIS)
  - NRIS is a component of the FERC jurisdictional Large Generator Interconnection Procedure (LGIP).
  - NRIS is not directly applicable to State jurisdictional Qualifying Facilities (QF).
  - In practice, virtually no QFs sought this option.
- Interconnection Customers that qualify for the Section 2 - 20 kW Inverter Process or the Section 3 – Fast Track Process can elect to proceed directly to the Section 4 – Study Process or the Cluster Study process, as applicable.
- Revisions are not applicable to those who have fully executed Interconnection Agreement, absent changes to the Facility.

Section 2 – 20 kW Inverter Process

- Alder Energy presented recommendations on this section in the first stakeholder meeting. Alder Energy and Sunrun submitted formal comments during the comment window that provided more specificity.
- DESC and Duke agree revisions are necessary and propose the following:
  - Eliminate the reserved circuit capacity.
  - Prospective interconnection requests will be evaluated for safety and reliability by the Utility.
  - Options to proceed to the Supplemental Review or Section 4 Study Process if the Utility is unable to determine if the facility can be safely and reliably interconnected.

Attachment 1 - Maximum Generating Capacity

Maximum Generating Capacity – The term shall mean the maximum continuous electrical output of the Generating Facility at any time at a power factor of approximately unity as measured at the Point of Interconnection and the maximum kW delivered to the Utility during any metering period. Requested Maximum Generating Capacity will be specified by the Interconnection Customer in the Interconnection Request and an approved Maximum Generating Capacity will subsequently be included as a limitation in the Interconnection Agreement.

- Interconnection Customers may specify the Maximum Generating Capacity in kW.
- The Utility will utilize this for power flow analysis.
- The Utility will have the ability to study Nameplate Capacity for other studies, i.e. fault current analysis.

Section 6.16 - Disconnect Switch

More specificity around the Facility's disconnect switch:

- Manual load-break
- Clear visible indication of switch position
- Ability to be locked in the open position with a padlock
- Visible and accessible to Utility personnel
- Close proximity to point of ownership change
- Must be labeled "Generator Disconnect Switch"
- Switch may isolate the customer's generator only or the generator and associated load

Section 6.1 - Final Accounting

- Adding clarity that if an Interconnection Customer terminates its project, it's entitled to unspent amounts associated with the Interconnection Facilities.
- The final accounting report, if implemented by the Utility or requested by the Interconnection Customer, shall be due in 120 Business Days (Currently 60 days) from final permission to operate.

Section 1.4.2 - Modification Inquiry

- The proposed revision allows Interconnection Customers to submit an informal modification inquiry requesting the Utility to evaluate whether the proposed change will be a Material Modification.

Section 3.2 - Fast Track Screen

- The proposed screen revisions are based on recommendations from an EPRI review of Duke's Fast Track process following the 2019 NCIP Order.
- In the first stakeholder meeting, Alder Energy proposed revisions to 3.2.1.2 and 3.2.1.10. The revisions related to Reserve Capacity should address the concerns.
- 3.2.1.2 – Introduces measured minimum load of the line section if available. Otherwise, based on 15% of the line sections peak load.
- 3.2.1.3 – New screen criteria that is copied from NCIP. Limits aggregate generation to no more than 90% of circuit/bank minimum load at the substation.

Section 3.2 - Fast Track Screen

- 3.2.1.6 – Eliminates the screen for pre-existing conditions where the circuit already exceeds 87.5% of short circuit interrupting capability.
- 3.2.1.7 – Adds an assessment of the grounding scheme for the DER to ensure it meets the requirements of IEEE-1547-2018. Deletes the table in the current SC GIP.
- 3.2.1.11 – A new screen that limits aggregate generation on the low side of a service transformer to no more than the rating of the transformer or upstream equipment.

Section 3.1 - Eligibility

- Introduces criteria that will allow certain interconnection requests to be evaluated in Section 3 for customers served at voltages greater than 25kV.
- The intent is to allow behind the meter generation with no export to be reviewed in Section 3 if it is exempt from cluster study and does not require full SIS.
- The Utility and Interconnection Customer must mutually agree to the Section 3 evaluation, or a Section 4 study will be required.

Section 3.4 - Supplemental Review Revisions

- Replaces the Supplemental Review deposit with a Supplemental Review fee.
- Reduces the administrative costs associated with conducting financial reviews and true ups for these relatively low-cost reviews.
- Increased pass rates for Fast Track screens and implementation of cluster studies reduces the number of small projects requiring Supplemental Review.

Section 1.3.1.2 - Study Deposit Increase

- Proposal to increase the study deposit for serial Section 4 projects from ($10,000+$1/kW) to ($20,000+$1/kW)
- The proposed deposit better reflects the actual costs of performing studies with overheads included.
- Appendix CS for Duke's cluster study process already reflects this deposit for projects > 1 MW.

Section 6.5 - Inspections

- Section 2.1.3 of the SC GIP Interconnection Agreement already allows utilities to conduct inspections and testing of new Generation Facilities prior to authorizing parallel operation. The cost of these inspections are charged to the customer.
- The proposed revision in 2.1.3 of the IA clarifies the scope of the inspections and testing and the use of third-party contractors to perform the work.
- Proposed revisions in Section 6.5 of the SCGIP authorize utilities to inspect and test Generation Facilities if not previously inspected, to inspect periodically on a reasonable schedule, and to inspect due to conditions that cause disruption or damage to the utility system or impact safety and security.

Section 6.2 - Dispute Resolution Revisions

- Mirrors the successful dispute resolution process approved and currently used in North Carolina
- Involves ORS to help informally resolve disputes before moving to filing a formal complaint with the Commission; parties also given the option to engage a dispute resolution service before filing a formal complaint
- Clear timelines provide a more defined dispute resolution process to avoid ambiguity and delay
- Interconnection Customers do not lose their queue position during the dispute resolution process except under clearly defined circumstances

Stakeholder Presentations

General Comments and Feedback

Wrap-Up and Next Steps

- Please send comments or specific areas you would like to address to:
  - scinterconnection@guidehouse.com
  - Please send by Friday, October 29, 2021

- Next steps: Work with stakeholders to address feedback on redlined SCGIP
  - Future stakeholders meetings will be determined based on that feedback and subsequent coordination with stakeholders