EMPIRE ELECTRIC ASSOCIATION, INC. BOARD OF DIRECTORS POLICY NO. 56

INTERCONNECTION OF DISTRIBUTED ENERGY RESOURCES

I. OBJECTIVE:

A. To establish a policy to govern the interconnection of distributed energy resources on the Empire Electric Association, Inc. ("Empire") distribution system. Distributed energy resources are energy resources intended to operate in parallel with Empire's system. Such resources can be stand-alone or located behind a load. Back-up generators intended to operate isolated from Empire's system are not considered distributed energy resources.

II. POLICY

- A. Interconnections will be subject to the terms and conditions of Empire's wholesale electric service contract with Tri-State Generation and Transmission Association, Inc. ("Tri-State") and any appurtenant Tri-State policies.
- B. Interconnections in Colorado will follow the guidelines set forth in the Colorado Public Utilities Commission's ("PUC's") 4 Code of Colorado Regulations (CCR) 723-3 Rule 3667 Small Generation Interconnection Procedures. This document is available on the PUC's web site.
- C. Interconnections in Utah will follow the guidelines set forth in the Utah Public Service Commission's ("PSC's") R746-312 Electrical Interconnection. This document is available on the PSC's website.
- D. All interconnections must comply with applicable industry codes and standards as well as any additional interconnection requirements determined by Empire staff.
- E. All costs associated with interconnecting a distributed energy resource shall be the responsibility of the interconnecting party. Such costs may include but are not limited to application fees, system impact study costs, equipment installation, infrastructure upgrades, and costs imposed by Tri-State.
- F. Net metering installations will follow the guidelines set forth in Colorado's C.R.S. 40-9.5-118. Per this statute, residential net metering will be allowed up to 10 kW AC and commercial and industrial net metering will be allowed up to 25 kW AC. However, Empire may allow larger net metering installations on a case-by-case basis if the following conditions are met:
 - 1. The proposed installation is sized to produce less than 120% of the site's average energy usage.
 - 2. Empire staff reviews the proposed installation and determines it will not cause adverse effects.
- G. Non-net metered installations may be offered a negotiated rate.

III. RESPONSIBILITY

- A. The board shall be responsible for any change or revision of this policy.
- B. The Manager is responsible for administration of this policy and for making recommendations for changes.

AUTHORITY: Board Motion 5/20/2011

Board Motion 05/09/2014 Board Review 01/13/2017 **Board Motion 08/11/2017**