

Summary of the ISO-NE Interconnection Process

In order to connect a new generating resource with a capacity greater than 20 MW to the high-voltage grid, the proponent must follow a specific sequence of applications, studies and approvals, as approved by the Federal Energy Regulatory Commission (“FERC”) and administered by Independent System Operator for New England (“ISO-NE”). This process is designed to ensure that the proposed project will have no adverse effect upon the reliability of the bulk transmission grid. For interconnecting generators, the interconnection process is solely an engineering, reliability-based analysis focused on the Minimum Interconnection Standards (“MIS”) all of which relate to the stability and reliability of the transmission system. The process does not address the economics of the generator or its effect on transmission congestion. It is intended to ensure only that the generator’s interconnection does not significantly degrade the existing reliability of the transmission system. The key steps are as follows:

First, the applicant must submit an Interconnection Request to ISO-NE, describing major technical parameters of the proposed project, including such items as the project site, capacity, point of interconnection with the existing transmission grid, date of commercial operation, the type of interconnection service requested, etc. Based upon the date and time that the ISO-NE receives the Interconnection Request, ISO-NE assigns a Queue Position to the proposed project. The Queue Position is used to determine, relative to other proposed projects, the order of performing interconnection studies and the determination of cost responsibility for certain facilities necessary to accommodate the Interconnection Request.

Second, the applicant, the interconnecting transmission owner, and the system operator (ISO-NE), collectively “the Parties” meet at a Scoping Meeting to clarify issues from the Interconnection Request, to set a timetable for detailed studies, and to agree upon candidates for points of interconnection to be examined through subsequent studies.

Third, detailed studies of the proposed project are initiated, consisting of two general topics: effects of the project on steady-state operations and effects during transient periods. These two studies, the Interconnection Feasibility Study and the Interconnection System Impact Study respectively, may be performed together or as separate tasks. There is provision for restudy of either detailed study if a higher-queued project drops out or is materially modified, or if the point of interconnection is re-designated.

Fourth, based upon the outcome of the Feasibility and the Impact Studies, an Interconnection Facilities Study is carried out to identify the upgrades (and associated costs) necessary to be made to interconnecting transmission owner’s system in order to maintain the reliability of the bulk transmission network.

Based upon the agreed-upon outcome of the Interconnection Facilities Study, the developer executes an Engineering and Procurement (E&P) Agreement that authorizes CMP (or any other affected party) to begin engineering and procurement of long lead-time items necessary for establishment of the interconnection.

Finally, the developer must execute a Large Generator Interconnection Agreement with ISO-NE, formalizing the technical issues associated with the interconnection, as well as establishing operational relationships between the two parties.