

# ***Distribution System Impact Study Agreement***

## **ABSTRACT**

Agreement outlining the scope, timeline, and responsibility of cost for a proposed distributed energy resource system's impact to the distribution system.



*MiEnergy 73.8 kW Community Solar Garden  
Rushford, Minnesota*

## Distribution System Impact Study Agreement

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 20\_\_ by and between \_\_\_\_\_, (interconnection member) and \_\_\_\_\_, a cooperative existing under the laws of the State of Minnesota (area electric power system (EPS) operator). Interconnection member and area EPS operator each may be referred to as a “party,” or collectively as the “parties.”

### RECITALS

**WHEREAS**, the interconnection member is proposing to develop a distributed energy resource (DER) or generating capacity addition to an existing DER consistent with the *Standard Interconnection Application* completed by the interconnection member on \_\_\_\_\_ (date); and

**WHEREAS**, the interconnection member desires to interconnect the DER with the area EPS operator’s electric system; and

**WHEREAS**, the interconnection member has requested the area EPS operator to perform a distribution system impact study to assess the impact of interconnecting the DER with the area EPS operator’s electric system and potential affected system(s).

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, the parties agree as follows:

1. Capitalized Terms

When used in this agreement, with initial capitalization, the terms specified shall have the meanings indicated, or the meanings specified, in the Cooperative Minnesota Interconnection Process (C-MIP).

2. Assumptions

The interconnection member elects and the area EPS operator shall perform a distribution system impact study consistent with the C-MIP. The scope of a distribution system impact study shall be subject to the assumptions set forth in this agreement including Attachment A.

3. Technical Information Request

A distribution system impact study will be based upon the technical information provided by interconnection member in the interconnection application. The area EPS operator reserves the right to request additional technical information from the interconnection member as may reasonably become necessary consistent with good utility practice during the course of the distribution system impact study.

4. Impact Study Scope of Work

A distribution system impact study may, as necessary, consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews. The distribution system

impact study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. A distribution system impact study shall provide a list of facilities that are required as a result of the interconnection application and non-binding good faith estimates of cost responsibility and time to construct. A facilities study may be required to identify all possibilities of facility upgrades, cost estimates, and construction time estimates.

5. Load Flow Analysis

A distribution system impact study shall incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.

6. Transmission System Impact

If the distribution system impact study determines transmission systems may be affected, a separate transmission system impact study may be required. All owners or operators of affected systems shall be afforded an opportunity to review and comment upon a distribution system impact study that indicates potential adverse system impacts on their electric systems.

7. DER Facilities in Queue

If the area electric power system (EPS) operator uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required network upgrades, the distribution system impact study shall consider all distributed energy resource (DER) (and with respect to Section 7.3 below, any identified upgrades associated with such higher-queued interconnection) that are included in the queuing process on the date the distribution system impact study is commenced.

7.1. Are directly interconnected with the area EPS operator's electric system.

7.2. Are interconnected with affected systems and may have an impact on the proposed interconnection.

7.3. Have a pending higher-queued interconnection application to interconnect with the area EPS operator's electric system.

8. Study Cost Estimate Deposit

A deposit of the equivalent of the good faith estimated cost of a distribution system impact study shall be required from the interconnection member, when the signed interconnection agreement is provided to the area EPS operator.

9. Basis of Study Fees

Any study fees shall be based on the EPS operator's actual costs and include a summary of professional time. An invoice shall be sent to the interconnection member within 20 business days after the distribution system impact study is completed and delivered.

10. Payment of Study Fees

The interconnection member must pay any study costs that exceed the deposit without interest within 20 business days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the area EPS operator shall refund such excess within 20 business days of the invoice without interest.

11. Governing Law, Regulatory Authority, and Rules.

The validity, interpretation, and enforcement of this agreement and each of its provisions shall be governed by the laws of the State of Minnesota. This agreement is subject to all applicable laws and regulations. Each party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.

12. Amendment.

The parties may amend this agreement by a written instrument duly executed by both parties.

13. No Third-Party Beneficiaries.

This agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest, and where permitted, their assigns.

14. Waiver.

14.1. The failure of a party to this agreement to insist, on any occasion, upon strict performance of any provision of this agreement, will not be considered a waiver of any obligation, right, or duty of, or imposed upon such party.

14.2. Any waiver at any time by either party of its rights with respect to this agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this agreement. Termination or default of this agreement for any reason by the interconnection member shall not constitute a waiver of the interconnection member's legal rights to obtain an interconnection from the area electric power system (EPS) operator. Any waiver of this agreement shall, if requested, be provided in writing.

15. Multiple Counterparts.

This agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

16. No Partnership.

This agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the parties or to impose any partnership obligation or partnership liability upon either party. Neither party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

17. Severability.

If any provision or portion of this agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, 1) such portion or provision shall be deemed separate and independent; 2) the parties shall negotiate in good faith to restore, insofar as practicable, the benefits to each party that were affected by such ruling; and 3) the remainder of this agreement shall remain in full force and effect.

18. Subcontractors.

18.1. Nothing in this agreement shall prevent a party from utilizing the services of any subcontractor, as it deems appropriate to perform its obligations under this agreement provided; however, that each party shall require its subcontractors to comply with all applicable terms and conditions of this agreement in providing such services, and each party shall remain primarily liable to the other party for the performance of such subcontractor.

18.2. The creation of any subcontract relationship shall not relieve the hiring party of any of its obligations under this agreement. The hiring party shall be fully responsible to the other party for the acts or omissions of any subcontractor the hiring party hires as if no subcontract had been made provided; however, that in no event shall the area electric power system (EPS) operator be liable for the actions or inactions of the interconnection member or their subcontractors with respect to obligations of the interconnection member under this agreement. Any applicable obligation imposed by this agreement, upon the hiring party, shall be equally binding upon and shall be construed as having application to any subcontractor of such party.

18.3. The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

19. Inclusion of Area EPS Operator Tariffs and Rules.

The interconnection services provided under this agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules applicable to the electric service provided by the area EPS operator, which tariff schedules and rules are

hereby incorporated into this agreement by this reference. Notwithstanding any other provisions of this agreement, the area EPS operator shall have the right to unilaterally change rates, charges, classification, service, tariff or rule, or any agreement relating thereto. The interconnection member shall have the right to protest any such change through the area EPS operator’s dispute resolution process, pursuant to the area EPS operator’s rules and regulations.

**IN WITNESS THEREOF**, the parties have caused this agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert Name of area EPS operator]

[Insert Name of interconnection member]

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(Signature)

(Signature)

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(Title)

(Title)

## Attachment A

### Assumptions Used in Conducting the Distribution System Impact Study

The distribution system impact study shall be based upon the following assumptions:

- 1) Designation of point of common coupling (PCC) and configuration to be studied.
- 2) Designation of alternative points of distributed energy resource (DER) interconnection and configuration.

The above items are to be completed by the interconnection member. Other assumptions (attached to this agreement) are to be provided by the interconnection member and the area electric power system (EPS) operator. The area EPS operator shall use the reference point for applicability, which is either the PCC or the point(s) of DER interconnection, as described in Institute of Electrical and Electronics Engineers (IEEE) Standard 1547.

### Additional DER Technical Data Required for Distribution System Impact Study

If applicable, the area EPS operator shall provide a list of any additional technical data that is required to adequately perform the distribution system impact study. This list of required technical data shall be attached to this agreement. As indicated in Section 4 of the *Study Process*, this information is to be returned with the signed *Distribution System Impact Study Agreement* and deposit.

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#### Data to be provided by the area EPS operator with the Distribution System Impact Study Agreement.

Estimate cost of distribution system impact study.	\$
Time duration to complete the distribution system impact study.	Business Days