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ENERGY ALERT

Regulation for the Interconnection of Generators to the Electrical Transmission and Subtransmission System Approved

On July 9, 2013, the Puerto Rico Electric Power Authority (“PREPA”) approved the Regulation for the Interconnection of Generators to the Electrical Transmission and Subtransmission System under the Net Metering Program (the “Regulation”).

The Regulation establishes the requirements and procedures for the interconnection and operation of renewable energy generation systems that will be interconnected to PREPA’s electrical transmission and subtransmission system with the intent of participating in the Net Metering Program.

The Regulation is applicable to electrical generation systems with the following characteristics:

1. The system is located on the property, building or structure of a public or private entity, connected behind the meter and interconnected through a common interconnection point to PREPA’s electrical transmission (i.e., 115kV) or distribution (i.e., 38kV) system;
2. The system will be participating in PREPA’s Net Metering Program;
3. The system has a maximum capacity of 5 megawatts (MW); and
4. The electricity generated by the system is produced by renewable energy sources.

The Regulation is not applicable to generation systems that will be interconnected to PREPA’s distribution system (e.g., 13.2 kV or lower) or to stand alone systems. According to the Regulation, PREPA must evaluate and approve any generation system that will be interconnected to PREPA’s electrical system, regardless of whether the system will be supplying electricity to PREPA’s electrical grid.

Aspects covered by the Regulation include the design and construction of interconnection systems; operation and maintenance of generation systems; disconnection and curtailment of generation systems; the process for requesting and obtaining approval of the interconnection; use and approval of certified equipment; system protection and control measures; Additional Technical Requirements (“ATRs”) for projects with a nameplate capacity greater than 1 MW; tests, modifications and maintenance of generation systems; insurance policy requirements; and an administrative appeal process, among others. The purchase of energy by third parties and/or PREPA is not governed by the Regulation.

The Regulation includes an interconnection agreement form as an attachment.

If you have any questions or comments or wish additional information regarding this matter please contact any of the attorneys listed below, members of our Environmental, Energy & Land Use Practice Group:

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