

**FILED**

**MAY 24 2022**

**,COMMISSIONERS:**

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**DOCKET#** 4822  
16573  
19279  
**DOCUMENT#** 190208  
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## **Georgia Public Service Commission**

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- Docket No. 4822: Capacity and Energy Payments to Cogenerators under PURPA**  
**Docket No. 16573: Georgia Power Company's Green Energy Program**  
**Docket No. 19279: Biomass Gas & Electric, LLC's Petition to Establish Docket Regarding Forsyth County Renewable Energy Plant**

### **ORDER APPROVING QUALIFYING FACILITY INTERCONNECTION PROCEDURES AND INTERCONNECTION AGREEMENT DOCUMENTS**

In a March 11, 2021 Order, the Georgia Public Service Commission ("Commission") approved an executed stipulation between Commission Staff ("Staff") and Georgia Power Company ("Georgia Power" and "Company") as well as the requirement that qualifying facilities ("QF") continue to pay their total reasonable interconnection costs and that modifications to the transmission system, (Network Upgrade Costs) that are required in order to facilitate the QF's interconnection be refunded (100%) back to the QF since these upgrades benefit the system and therefore customers with improved grid reliability.

The March 11, 2021 Order approved the QF Standard Offer contracts as well as the process for a QF pursuing a Small Generator Interconnection Agreement ("SGIA"), Large Generator Interconnection Agreement ("LGIA") or interconnection with an Integrated Transmission System ("ITS") participant. For the approved QF Standard Offer contracts, the pro-forma provisions were to be further negotiated by the parties to include the total reasonable cost of the QF's

interconnection. Georgia Power would then submit the negotiated contract to Staff at least 30 days prior to the effective date of the contract to afford Staff the opportunity to review the contract and determine whether any modification to the standard form had been made that is material enough to require separate Commission approval. Absent any contrary indication by Staff within 15 days after the Company's submission, the contract would be "deemed certified."

In a January 13, 2022 Order, the Commission ordered that Georgia Power and the Commission's Energy Efficiency and Renewable Energy ("EERE") and Electric Staff work to finalize the state jurisdictional QF interconnection procedures so that they specify the recommended reimbursement of interconnection and delivery network upgrade costs to QFs, including the appropriate reimbursement for network upgrades that are included in the Company's ten-year plan. If the Company and Staff could not agree on the state jurisdictional QF procedures, any disagreement would be brought back before the Commission for future consideration.

Georgia Power and Staff worked together to finalize the state jurisdictional QF interconnection procedures and interconnection agreement templates so that they specify the recommended reimbursement of interconnection and delivery related network upgrade costs to QFs, including the appropriate reimbursement for network upgrades that are included in the Company's ten-year plan.

On April 8, 2022, at the request of the Commission, Georgia Power filed its state jurisdictional QF Transmission Generator Interconnection Procedures ("TGIP"), QF Distribution Generator Interconnection Procedures ("DGIP"), and corresponding Transmission QF Interconnection Agreement ("QFIA") and Distribution QFIA templates.

At the request of the Commission, Georgia Power, the Georgia Large Scale Solar Association ("GLSSA"), and the Georgia Solar Energy Industries Association ("GASEIA") met to resolve issues the parties had with the proposed QFIA documents and potential adverse impacts to current Utility Scale and distributed generation ("DG") projects that are part of a Georgia Power



renewable program. In order to reach a resolution, the parties agreed to a Term Sheet (Attachment A) for existing Utility Scale Power Purchase Agreements (“PPAs”) and interconnection agreements in the Large Scale Solar (“LSS”) program, Advanced Solar Initiative (“ASI”), ASI-Prime, Renewable Energy Development Initiative (“REDI”) and REDI II and for existing DG interconnection agreements in ASI, ASI-Prime, REDI I, REDI II, and the 2020 DG Request For Proposals (“RFP”). The Term Sheet was provided to Staff for review.

Also, Georgia Power in agreement with Heelstone Renewable Energy, LLC (“Heelstone”) and Competitive Power Ventures (“CPV”) Stagecoach proposed language that exempted Heelstone and CPV Stagecoach’s QF projects from the QFIA procedures. Georgia Power, Heelstone and CPV Stagecoach agreed on the following language:

*Notwithstanding the approval of these new QFIA Procedures, the Commission affirms that the prior orders entered in this Docket on March 11, 2021, January 13, 2022, and April 14, 2022 with respect to the Competitive Power Ventures (“CPV”) “Stagecoach” project and the five existing “Heelstone Projects,” known as (1) Bird Dog Solar, LLC; (2) Blackwater Solar, LLC; (3) Hobnail Solar, LLC; (4) Wolfskin Solar, LLC; and (5) Alligator Creek Solar, LLC, shall remain in full force and effect. This order approving Georgia Power’s State-Jurisdictional Qualifying Facility Interconnection Procedures and QFIA templates does not alter or amend the decisions reached by the Commission with respect to the CPV Stagecoach or Heelstone Projects. All six (6) of these QF projects identified above have executed PPAs and have already undergone the required initial study by Georgia Power such that none of these QF projects will need to submit a new QF Interconnection Request, nor be subject to a new Interconnection Queue Position. Heelstone and CPV can proceed towards commercial operation pursuant to the terms of its executed PPAs and LGIAs.*

At the May 17, 2022 Administrative Session, Staff recommended approval of the state jurisdictional QF interconnection procedures and interconnection agreement templates and that any modifications or updates to these procedures or templates made as a matter of routine business practice should be posted on Georgia Power’s website. Staff recommended that the Commission adopt the provisions contained in the Term Sheet agreed to by Georgia Power, GLSSA, and

GASEIA. Staff also recommended that the Commission include the language proposed by Georgia Power, Heelstone and CPV Stagecoach in its Order for this matter.

At the May 17, 2022 Administrative Session Commissioner Echols offered the following motion:

*I move that we adopt the Staff recommendation, and I move that we set the term for DG for 35 years.*

The Commission approved Staff's recommendation as amended by the Echols motion at the May 17, 2022 Administrative Session.

\* \* \* \* \*

**WHEREFORE IT IS ORDERED** that Georgia Power Company's state jurisdictional Qualifying Facility Transmission Generator Interconnection Procedures, Qualifying Facility Distribution Generator Interconnection Procedures, and corresponding Transmission Qualifying Facility Interconnection Agreement and Distribution Qualifying Facility Interconnection Agreement templates are hereby approved.

**ORDERED FURTHER**, that any modifications or updates to these procedures or templates made as a matter of routine business practice shall be posted on Georgia Power Company's website.

**ORDERED FURTHER**, that the provisions contained in the Term Sheet (attached hereto as Attachment A) are hereby approved for existing Utility Scale Power Purchase Agreements and interconnection agreements in the Large Scale Solar program, Advanced Solar Initiative, Advanced Solar Initiative-Prime, Renewable Energy Development Initiative and Renewable Energy Development Initiative II and for existing distributed generation interconnection agreements in Advanced Solar Initiative, Advanced Solar Initiative-Prime, Renewable Energy

Development Initiative I, Renewable Energy Development Initiative II, and the 2020 distributed generation Request For Proposals.

**ORDERED FURTHER**, that the native load designations and program interconnection agreements for existing distributed generation interconnection agreements in Advanced Solar Initiative, Advanced Solar Initiative-Prime, Renewable Energy Development Initiative I, Renewable Energy Development Initiative II, and the 2020 distributed generation Request For Proposals, may be extended for up to 35 years.

**ORDERED FURTHER**, that notwithstanding the approval of these new QFIA Procedures, the Commission affirms that the prior orders entered in this Docket on March 11, 2021, January 13, 2022, and April 14, 2022 with respect to the Competitive Power Ventures (“CPV”) “Stagecoach” project and the five existing “Heelstone Projects,” known as (1) Bird Dog Solar, LLC; (2) Blackwater Solar, LLC; (3) Hobnail Solar, LLC; (4) Wolfskin Solar, LLC; and (5) Alligator Creek Solar, LLC, shall remain in full force and effect. This order approving Georgia Power’s State-Jurisdictional Qualifying Facility Interconnection Procedures and QFIA templates does not alter or amend the decisions reached by the Commission with respect to the CPV Stagecoach or Heelstone Projects. All six (6) of these QF projects identified above have executed PPAs and have already undergone the required initial study by Georgia Power such that none of these QF projects will need to submit a new QF Interconnection Request, nor be subject to a new Interconnection Queue Position. Heelstone and CPV can proceed towards commercial operation pursuant to the terms of its executed PPAs and LGIAs.

**ORDERED FURTHER**, that all findings, conclusions, statements, and directives made by the Commission and contained in the foregoing sections of this Order are hereby adopted as findings of fact, conclusions of law, statements of regulatory policy, and orders of this Commission.

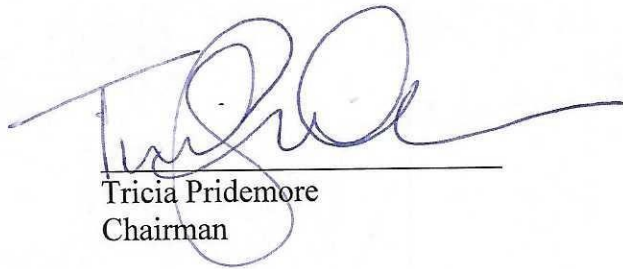
**ORDERED FURTHER**, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

**ORDERED FURTHER**, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 17th day of May, 2022.



Sallie Tanner  
Executive Secretary



Tricia Pridemore  
Chairman

5-24-22  
Date

5-24-22  
Date

**For existing Utility Scale PPAs and IAs in LSS, ASI, ASI-Prime, REDI, REDI II**

In exchange for approving the QF Procedures and QFIA templates as is, Georgia Power will make available an offer to Sellers that will:

- Extend the Facility's native load resource designation for up to 35 years.
- Amend the program PPAs to extend the Term for up to 35 years.
- Pay Seller the day-ahead hourly avoided cost price for the extended Term that would be applicable to a QF in an Energy-Only PPA for the same time period.

Other conditions:

- Seller must give notice of intent to opt in no later than 10 years prior to the expiration of the initial PPA Term; any Facility failing to give timely notice will be subject to the QF Procedures.
- At the time of the expiration of the Term of the initial PPA, PURPA must still be in full force and effect and must still require Georgia Power to purchase all the output offered by a QF at avoided cost.
- Seller must commit to sell all output to Georgia Power at hourly QF avoided cost pricing over the extended Term and agree to forego any early PPA termination right for convenience.
- Seller must continue to sell all output to Georgia Power pursuant to the terms and conditions of its initial PPA (e.g., if performance security is required under the initial PPA, Seller will be required to continue to provide such performance security through the full extended Term); such performance security to be returned upon expiration of the extended Term.
- Within 90 days of providing notice of intent to opt in, Seller pays a non-refundable fee equal to the QF Interconnection Study Fee Deposit relative to the size of the Facility as reflected in the QF Procedures as shown below:
  - \$75,000 (smaller than 20MW)
  - \$125,000 (20MW and larger)

**For existing DG Interconnection Agreements in ASI, ASI-Prime, REDI I, REDI II, 2020 DG RFP**

In exchange for approving the QF Procedures and QFIA templates as is, Georgia Power will make available an offer to Sellers that will:

- Extend the native load designation for up to 35 or 40 years (Commission policy decision).
- Amend the program IA to extend the Term for up to 35 or 40 years (Commission policy decision).
  - (If a Facility does not have a standalone IA, Georgia Power will restudy the Facility at no additional cost to the Facility.)



## Other conditions:

- Seller must give notice of intent to opt in no later than 10 years prior to the expiration of the initial IA Term; any Facility failing to give timely notice will be subject to the QF Procedures.
- At the time of the expiration of the Term of the initial PPA, PURPA must still be in full force and effect and must still require Georgia Power to purchase all the output offered by a QF at avoided cost.
- Seller must commit to execute a QF PPA at the end of the program PPA Term.
- Seller must commit to sell all output to Georgia Power over the extended Term.
  - If Seller provides notice of intent to opt in, but fails to sell all output to Georgia Power for the entire extended Term, Seller shall be liable to pay Georgia Power a termination fee equal to 2% of the PPA payments expected during the final 10 years of the initial PPA term.
  - To ensure enforceability, Seller must agree to place 2% of the expected PPA payments during the final 10 years of the initial PPA term into an escrow account acceptable to the Commission and payable to Georgia Power in the event not all output from the Facility is sold to Georgia Power.
    - In lieu of escrow, Seller may post any form of performance security acceptable in Georgia Power's IRP-approved renewable programs (*i.e.*, cash, letter of credit, guaranty).
  - If the program PPA under which the Seller is currently participating already includes performance security, the Seller need not post additional performance security until the expiration of the program PPA Term and the start of the extended Term.
  - The performance security shall be returned upon expiration of the extended Term.
  - Any amounts paid to Georgia Power because of Seller's failure to sell all output to Georgia Power over the extended Term shall be used to offset the cost of transmission investments in rate base in a manner approved by the Commission.
- Within 90 days of providing notice of intent to opt in, Seller must pay a one-time fee of \$10/kW, up to a maximum of \$10,000.

**For future IRP-approved programs, the Company agrees to work with Staff and prospective bidders to address these issues in each IRP-approved program.**