**Section 466.120 Level 4 Review**

An EDC shall use the Level 4 study review procedures for an interconnection request that meets the criteria in Section 466.80(d).

a) The applicant submits an interconnection request using the appropriate form, along with the Level 4 application fee (see Appendix C).

b) Within 10 business days after receipt of an interconnection request, the EDC shall notify the applicant whether the request is complete. When the interconnection request is not complete, the EDC shall provide the applicant with a written list detailing the information required to complete the interconnection request. The applicant has 10 business days to provide the required information or the interconnection request is considered withdrawn. The parties may agree to extend the time for receipt of the additional information. The interconnection request is deemed complete when the applicant has provided the required information or when the parties have agreed that the applicant may provide additional information later and the interconnection request is ready to be studied.

c) After an interconnection request is deemed complete, the EDC shall assign a queue position to it based upon the date the interconnection request is determined to be complete. When assigning a queue position, an EDC may consider whether there are any other interconnection projects on the same distribution circuit. If there are other interconnection projects on the same distribution circuit, the EDC may consider them together. If an EDC assigns a queue position based on the existence of interconnection projects on the same distribution circuit, the EDC shall notify the applicant of that fact when it assigns the queue position. The queue position of an interconnection request is used to determine the cost responsibility for the facilities necessary to accommodate the interconnection. The EDC shall notify the applicant as to its position in the queue. If the interconnection request is subsequently amended due to a material modification, queue position is determined under Section 466.125 Material Modifications.

d) After the interconnection request has been assigned to the queue, the following procedures shall be followed in performing a Level 4 study review:

1) By mutual agreement of the parties, the scoping meeting, interconnection feasibility study, interconnection impact study, or interconnection facilities study provided for in a Level 4 review and discussed in this Section may be waived or combined. The applicant may unilaterally combine the interconnection feasibility study and the interconnection system impact study. Notwithstanding the waiver of any studies, any such waiver does not preclude further analysis and study by the EDC. The applicant retains the obligation to pay all resultant costs of required upgrades.

2) If agreed to by the parties, a scoping meeting on a mutually agreed upon date and time shall be held, after the EDC has notified the applicant that the Level 4 interconnection request is deemed complete, or the applicant has requested that its interconnection request proceed under Level 4 review after failing the requirements of a Level 2 or Level 3 review. The meeting's purpose is to review the interconnection request, existing studies relevant to the interconnection request, and the results of the Level 2 or Level 3 screening criteria.

3) When the parties agree that an interconnection feasibility study shall be performed, the EDC shall provide to the applicant, no later than 10 business days after the receipt of a complete interconnection request or, if held, the scoping meeting, an interconnection feasibility study agreement (see Appendix E), including an outline of the scope of the study and a non-binding estimate of the cost to perform the study. If the applicant does not sign and return the study agreement within 15 business days, the application shall be deemed withdrawn.

4) When the parties agree that an interconnection feasibility study is not required, the EDC shall provide to the applicant, no later than 10 business days after the receipt of a complete interconnection request or, if held, the scoping meeting, an interconnection system impact study agreement (see Appendix F), including an outline of the scope of the study and a non-binding estimate of the cost to perform the study. If the applicant does not sign and return the study agreement within 15 business days, the application shall be deemed withdrawn.

5) If the parties agree that neither an interconnection feasibility study nor a system impact study is required, the EDC shall provide to the applicant, no later than 10 business days after receipt of a complete interconnection request or, if held, the scoping meeting, an interconnection facilities study agreement (see Appendix G) including an outline of the scope of the study and an estimate of the cost to perform the study. If the applicant does not sign and return the study agreement within 15 business days, the application shall be deemed withdrawn.

6) Contingent upgrades that are identified during the evaluation of the interconnection request shall be documented in the applicable study reports and the interconnection agreement. For each contingent upgrade, when available, the EDC shall provide non-binding estimated interconnection facilities and distribution upgrades costs (if any) and estimated construction schedule upon request of the applicant.

e) The following guidelines shall govern all required interconnection studies:

1) Unless waived by an applicant, an interconnection feasibility study shall include any necessary analyses for identifying a potential adverse system impact to the EDC's electric distribution system that would result from the interconnection at the applicant's proposed point of interconnection from among the following:

A) Initial identification of any circuit breaker short circuit capability limits exceeded because of the interconnection.

B) Initial identification of any thermal overload or voltage limit violations resulting from the interconnection.

C) Initial review of grounding requirements, including review per IEEE C62.92.6 for inverter-based DER when additional grounding equipment is considered, and system protection.

D) Description and non-binding estimated cost and, if available, construction schedule of facilities required to interconnect the DER facility to the EDC's electric distribution system in a safe and reliable manner, including identification of potential increased expenses due to location, distribution system assets, or other relevant factors. Cost estimates provided in each instance must be itemized in line item format and must break down costs by equipment, labor, and other cost categories. The cost estimates must also provide the component parts for direct, indirect, and other identified cost categories.

E) If an applicant requests that the interconnection feasibility study evaluate multiple potential points of interconnection, additional evaluations may be required. Additional evaluations shall be paid for by the applicant.

F) An interconnection system impact study is not required when the interconnection feasibility study concludes that there is no adverse system impact, or when the study identifies an adverse system impact, but the EDC is able to identify a remedy without the need for an interconnection system impact study.

G) A study results meeting will be held within 10 business days after study completion if requested by the applicant. The study results meeting will be attended by technical representatives of the EDC and the applicant. The study results meeting shall not relieve the applicant from its obligations, nor does it toll the clock for the applicant, to take the actions required by the rules at that point in the Level 4 review.

H) Each party may require that the standard form of interconnection feasibility study agreement approved by the Commission be used. If both parties agree, however, an alternative form can be used.

2) An interconnection system impact study evaluates the impact of the proposed interconnection on both the safety and reliability of the EDC's electric distribution system. The study identifies and details the system impacts that interconnecting the DER facility to the distribution system has if there are no system modifications. It focuses on the potential or actual adverse system impacts identified in the interconnection feasibility study, including those that were identified in the scoping meeting. The study shall consider all other DER facilities that, on the date the interconnection system impact study is commenced, are directly interconnected with the EDC's system, have a pending higher queue position to interconnect to the electric distribution system, or have signed an interconnection agreement.

A) A distribution interconnection system impact study shall be performed when a potential distribution system adverse system impact is identified in the interconnection feasibility study. The EDC shall send the applicant an interconnection system impact study agreement within 10 business days after transmittal of the interconnection feasibility study report. The agreement shall include an outline of the scope of the study and a non-binding estimate of the cost to perform the study. The system impact study shall take into account the proposed DER facility's design and operating characteristics and study the project according to how the project is proposed to be operated. The applicant must provide adequate design assurance in accordance with Section 466.75, through demonstration of devices tested to national standards, or approved by the EDC. The export capacity shall be used except when assessing fault current contribution, in which case the nameplate rating is appropriate (unless assurance, approved by the EDC, has been provided showing fault currents are not directly related to nameplate rating and are controlled by some means). The impact study shall include any pertinent elements, assumptions, and thresholds identified in the Impact Study Template in Appendix F.

B) The final interconnection system impact study shall provide the following:

i) The underlying assumptions of the study;

ii) A summary of the analyses;

iii) The results of the analyses, including detailed information on any impacts identified, the drivers and reasons for those impacts, including load, voltage, thermal and other limitations, as well as the boundaries of the impacts, to the extent possible;

iv) A list of any potential impediments to providing the requested interconnection service and information regarding technical thresholds that drive modifications;

v) Required distribution upgrades;

vi) A non-binding estimate of cost and time to construct any required distribution upgrades. Those cost estimates shall provide the component parts for direct, indirect, and other identified cost categories. Cost estimates must be itemized and must break down costs by equipment, labor, overhead and other cost categories; and

vii) If the cost estimate exceeds 150% of the estimated cost set forth in the feasibility study, a written itemization, by equipment, labor, overhead and other cost categories, of the component parts that increased in cost and a detailed explanation for the cost increase.

C) A study results meeting will be held within 10 business days after study completion if requested by the applicant. The study results meeting shall not relieve the applicant from its obligations, nor does it toll the clock for the applicant, to take the actions required by the Rules at that point in the Level 4 review.

D) The parties may use an interconnection impact study agreement as approved by the Commission. If both parties agree, however, an alternative form can be used.

3) Unless waived by the applicant, the interconnection facilities study shall be conducted as follows:

A) The interconnection facilities study agreement, which includes an outline of the scope of the study and a non-binding estimate of the cost to perform the study, shall be transmitted to the applicant within the later of 10 business days after completion of the interconnection system impact study or 5 business days after the study results meeting, if performed, or within 10 business days after the applicant notifies the EDC pursuant to Section 466.90(b)(4)(C), Section 466.100(c)(3), or Section 466.110(b)(3).

B) The interconnection facilities study shall estimate the cost of the equipment, engineering, procurement and construction work, including overheads, needed to implement the conclusions of the interconnection feasibility study and the interconnection system impact study.

i) Non-binding cost estimates must be itemized and must break down costs by equipment, labor, overhead, and other cost categories. These cost estimates must also provide the component parts for direct, indirect, and other identified cost categories; and

ii) If the cost estimate exceeds the lesser of 150% of the estimated cost set forth in the feasibility study or 125% of the estimated cost set forth in the system impact study, a written itemization, by equipment, labor, overhead and other cost categories, of the component parts that increased in cost and a detailed explanation for the cost increase.

C) The interconnection facilities study shall identify:

i) The electrical switching configuration of the equipment, including transformer, switchgear, meters and other station equipment;

ii) The nature and estimated cost of all the EDC's interconnection facilities and distribution upgrades necessary to accomplish the interconnection; and

iii) An estimate for the time required to complete the construction and installation of the facilities.

D) The EDC may agree to permit an applicant to separately arrange for a qualified third party to design and construct the required interconnection facilities. In such a case:

i) The applicant shall utilize EDC-approved engineering and construction contractors for the design and construction of the interconnection facilities, which shall be built in accordance with the EDC’s specifications;

ii) Such facilities shall be limited to interconnection facilities serving only the applicant’s DER facility;

iii) The applicant shall not include work on existing energized EDC electric distribution facilities, or in energized EDC substations;

iv) The applicant must comply with security and confidentiality requirements before the EDC provides all relevant information and required specifications to the applicant to permit the applicant to obtain an independent design and cost estimate for the facilities; and

v) The EDC shall maintain the right to inspect, test, or witness test all facilities designed and constructed under the provisions of this subsection and shall be allowed to recover the associate costs it incurs from the applicant.

E) A study results meeting will be held within 10 business days after study completion unless parties mutually agree to waive the meeting. The study results meeting shall not relieve the applicant from its obligations, nor does it toll the clock for the applicant, to take the actions required by the rules at point in the Level 4 review.

F) Upon completion of the interconnection facilities study, and after the applicant agrees to pay for the interconnection facilities and distribution upgrades identified in the interconnection facilities study, the EDC shall provide a standard DER interconnection agreement (see Appendix D) for the applicant to sign the day the EDC makes its determination.

G) In the event that distribution upgrades due to the impact of the interconnection request are identified in the impact study that shall be added only in the event that higher-queued customers not yet interconnected eventually complete and interconnect their generation facilities, the applicant may elect to interconnect without paying for such upgrades at the time of the interconnection, provided that it agrees to pay for such upgrades at the time the higher-queued customer is ready to interconnect. If the applicant does not pay for such upgrades at that time, the EDC shall require the applicant to immediately disconnect its distribution generation facility to accommodate the higher-queued customer.

H) Notwithstanding anything to the contrary, nothing prohibits two or more joint applicants directly adjacent in the interconnection queue on a feeder or substation from jointly informing the EDC of a request for a group study or estimate. That notice shall be provided on a form approved by the Commission that, at minimum, authorizes a group study with costs for upgrades and the facilities study to be shared as determined by the joint applicants and waives confidentiality protections only to the extent necessary to generate and circulate that group study. For the purposes of this subsection, a "group study" is an impact study or facilities study created and issued under subsection (e)(2) or (e)(3) (as applicable) that studies the least-cost upgrades to interconnect all of the joint applicants' facilities**.**

I) The parties shall use an interconnection facilities study agreement approved by the Commission. If both parties agree, however, an alternative form can be used.

4) All studies analyzing or projecting load flow or system impact shall take into account the impact of storage, operating profile (including voluntary operational restrictions), impact and timing of load flow, or other parameters provided by the applicant that would impact timing or volume of load flow. Any parameters shall be reflected in Attachment 2 to the interconnection agreement. When performing feasibility studies, system impact studies, and facility studies for a DER facility, operating characteristics (including maximum export and import capacity) as identified in the application by the applicant shall be utilized, except that fault current contribution shall be evaluated based on aggregate AC nameplate rating. The utility's technical review shall determine whether the proposed facility, operating per the characteristics identified in the application and with any necessary controls, can be safely and reliably interconnected to the utility's distribution system.

f) When an EDC determines because of the studies conducted under a Level 4 review that it is appropriate to interconnect the DER facility, the EDC shall provide the applicant with a standard DER interconnection agreement. If the interconnection request is denied, the EDC shall provide the applicant with a written explanation as to its reasons for denying interconnection. If denied, the interconnection request does not retain its position in the queue.

g) Within 30 business days after receipt of the standard DER interconnection agreement, the applicant shall provide all necessary information required of the applicant by the agreement, and the EDC shall develop all other information required of the EDC by the agreement. After completing the agreement with the additional information, the applicant shall sign and return the agreement to the EDC. If the applicant does not sign and return the agreement within 30 business days after its completion, the interconnection request shall be deemed withdrawn, unless the applicant requests in writing to have the deadline extended by no more than 15 business days. The EDC shall not deny an initial request for extension. If the applicant does not sign the agreement after the 15-business-day extension, the interconnection request shall be deemed withdrawn. The EDC shall return a fully executed DER interconnection agreement within 10 business days of receipt of the signed agreement from the applicant. If withdrawn, the interconnection request does not retain its position in the queue. When construction is required, the interconnection of the DER facility shall proceed according to milestones agreed to by the parties in the standard DER interconnection agreement.

h) The DER facility is not permitted to operate until:

1) The requirements of the interconnection agreement are satisfied;

2) The DER facility is approved by electric code officials with jurisdiction over the interconnection;

3) The applicant provides a certificate of completion (see Appendix B) to the EDC. Completion of local inspections may be designated on inspection forms used by local inspecting authorities; and

4) The witness test is successfully completed if required by the EDC or if the witness test is waived according to Article 2.1.1 of Appendix D.

(Source: Amended at 46 Ill. Reg. 9666, effective May 26, 2022)