

(f) The ERP must be approved and signed by the borrower's Manager or Chief Executive Officer, and approved by the borrower's Board of Directors.

(g) Copies of the most recent approved ERP must be made readily available to key personnel at all times.

(h) The ERP shall be Exercised at least annually to ensure operability and employee familiarity. Completion of the first exercise of the ERP must occur on or before January 12, 2007.

(i) If modifications are made to an existing ERP:

(1) The modified ERP must be prepared in compliance with the provisions of paragraphs (e), (f), and (g) of this section; and

(2) Additional Exercises may be necessary to maintain employee operability and familiarity.

(j) Each borrower shall maintain records of such Exercises.

[69 FR 60541, Oct. 12, 2004, as amended at 76 FR 47056, Aug. 4, 2011]

#### § 1730.29 Grants and Grantees.

For the purposes of this part, the terms "borrower" shall include recipients of RUS electric program grants, and "applicant" shall include applicants for such grants. References to "security documents" shall, with respect to recipients of RUS electric program grants, include grant agreements and other grant-related documents.

[69 FR 60541, Oct. 12, 2004]

#### §§ 1730.30–1730.59 [Reserved]

### Subpart C—Interconnection of Distributed Resources

SOURCE: 74 FR 32409, July 8, 2009, unless otherwise noted.

#### § 1730.60 General.

Each electric program distribution borrower (as defined in §1710.2) is responsible for establishing and maintaining a written standard policy relating to the Interconnection of Distributed Resources (IDR) having an installed capacity of not more than 10 megavolt amperes (MVA) at the point of common coupling.

#### § 1730.61 RUS policy.

The Distributed Resource facility must not cause significant degradation of the safety, power quality, or reliability on the borrower's electric power system or other electric power systems interconnected to the borrower's electric power system. The Agency encourages borrowers to consider model policy templates developed by knowledgeable and expert institutions, such as, but not limited to the National Association of Regulatory Utility Commissioners, the Federal Energy Regulatory Commission and the National Rural Electric Cooperative Association. The Agency encourages all related electric borrowers to cooperate in the development of a common Distributed Resource policy.

#### § 1730.62 Definitions.

"Distributed resources" as used in this subpart means sources of electric power that are not directly connected to a bulk power transmission system, having an installed capacity of not more than 10 MVA, connected to the borrower's electric power system through a point of common coupling. Distributed resources include both generators and energy storage technologies.

"Responsible party" as used in this subpart means the owner, operator or any other person or entity that is accountable to the borrower under the borrower's interconnection policy for Distributed Resources.

#### § 1730.63 IDR policy criteria.

(a) *General.* (1) The borrower's IDR policy and procedures shall be readily available to the public and include, but not limited to, a standard application, application process, application fees, and agreement.

(2) All costs to be recovered from the applicant regarding the application process or the actual interconnection and the process to determine the costs are to be clearly explained to the applicant and authorized by the applicant prior to the borrower incurring these costs. The borrower may require separate non-refundable deposits sufficient to insure serious intent by the applicant prior to proceeding either with

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the application or actual interconnection process.

(3) IDR policies must be approved by the borrower's Board of Directors.

(4) The borrower may establish a new rate classification for customers with Distributed Resources.

(5) IDR policies must provide for reconsideration and updates every five years or more frequently as circumstances warrant.

(b) *Technical requirements.* (1) IDR policies must be consistent with prudent electric utility practice.

(2) IDR policies must incorporate the Institute of Electrical and Electronic Engineers (IEEE): IEEE 1547™—Standard for Interconnecting Distributed Resources with Electric Power Systems, approved June 12, 2003, and IEEE 1547.1™—Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems, approved June 9, 2005. Copies of the IEEE Standards 1547™ and 1547.1™ may be obtained from the IEEE Operations Center, 445 Hoes Lane, Piscataway, NJ 08854-4141, telephone 1-800-678-4333 or online at <http://www.standards.ieee.org>. Copies of the material are available for inspection during normal business hours at RUS, Room 1265, U.S. Department of Agriculture, Washington, DC 20250. Telephone (202) 720-3720, e-mail [Donald.Junta@wdc.usda.gov](mailto:Donald.Junta@wdc.usda.gov), or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: [http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html).

(3) IDR policies must provide for appropriate electric power system disconnect facilities, as determined by the borrower, which shall include a lockable disconnect and a visible open, that are readily accessible to and operable by authorized personnel at all times.

(4) IDR policies must provide for borrower access to the Distributed Resources facility during normal business hours and all emergency situations.

(c) *Responsible Party obligations.* IDR policies must provide for appropriate Responsible Parties to assume the following risks and responsibilities:

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(1) A Responsible Party must agree to maintain appropriate liability insurance as outlined in the borrower's interconnection policy.

(2) A Responsible Party must be responsible for the Distributed Resources compliance with all national, State, local government requirements and electric utility standards for the safety of the public and personnel responsible for utility electric power system operations, maintenance and repair.

(3) A Responsible Party must be responsible for the safe and effective operation and maintenance of the facility.

(4) Only Responsible Parties may apply for interconnection and the Responsible Party must demonstrate that the facility will be capably developed, constructed and operated, maintained, and repaired.

### § 1730.64 Power purchase agreements.

Nothing in this subpart requires the borrower to enter into purchase power arrangements with the owner of the Distributed Resources.

### § 1730.65 Effective dates.

(a) All electric program borrowers with an approved electric program loan as of July 8, 2009 shall have an IDR policy board approved and in effect no later than July 8, 2011.

(b) All other electric program borrowers that have pending applications or submit an application to the Agency for financial assistance on or after July 8, 2009 shall provide a letter of certification executed by the General Manager that the borrower meets the requirements of this subpart before such loan may be approved.

### § 1730.66 Administrative waiver.

The Administrator may waive in all or part, for good cause, the requirements and procedures of this subpart.

### §§ 1730.67-1730.99 [Reserved]

### § 1730.100 OMB Control Number.

The Information collection requirements in this part are approved by the Office of Management and Budget and assigned OMB control number 0572-0141.