**ISO-NE Study Requirements for Distributed Energy Resource Projects interconnecting under Chapter 324**

ISO New England (ISO-NE) is responsible for the reliability of the regional transmission network. Due to the dramatic increase of Distributed Energy Resources (DER) on the distribution network, ISO-NE requires additional review, and although some projects in Versant Power’s (Company) service territory may be able to gain approval without the full Level 3 analysis, most projects in the Company’s service territory are now subject to this additional review. All DER projects are subject to approval for interconnection by the ISO-NE Reliability Council.

For 115kV-sourced areas where the accumulation of DER has reached 20MW, the Company must submit a Proposed Plan Application (PPA) for each project and a supporting Level 3 Cluster Study to ISO-NE. This is in addition to the distribution and local transmission impacts that the Company studies under the Chapter 324 interconnection process.

**Level 3 Cluster Studies**

Versant Power satisfies ISO-NE’s additional study requirement by performing an analysis of DER projects in a cluster fashion. All DER projects in an area supplied by an 115kV source that have had a Scoping Meeting for their project and subsequently submitted a signed SIS Agreement when a cluster study begins are invited to participate in the study. Once the cluster study is complete and accepted by ISO-NE the next cluster study for that area will be initiated. Cluster study timelines may be three to four months for final approval, depending on other transmission interconnections in the area of study.

Versant Power is currently performing studies for all areas of its system concurrently. Any DER project that chooses not to participate, or does not supply the required information in time to participate in a cluster study, must wait until the next round of cluster studies. Approval from ISO-NE indicating its agreement that the DER project has no adverse impacts to the regional transmission network is required prior to interconnection of the DER project.

**Required Transmission Upgrades**

In the event that the results of a cluster study demonstrate that the DER projects in a given study area cause a transmission criteria violation requiring system upgrades, the responsible DER projects will share the cost of such upgrades. Versant Power will then make a determination regarding which DER project first triggered the violation based on the queue positions of the DER projects in the cluster study; all other DER projects in that area with a queue position after the DER project triggering the violation will be responsible for sharing costs of Contingent Upgrades based on the model in Chapter 324 § 12.G .