**Excerpts from the North Carolina Interconnection Standards**

**related to Material Modifications**

1.5 Modification of the Interconnection Request

“Material Modification” means a modification to machine data or equipment configuration or to the interconnection site of the Generating Facility that has a material impact on the cost, timing or design of any Interconnection Facilities or Upgrades. Material Modifications include project revisions proposed at any time after receiving notification by the Utility of a complete Interconnection Request pursuant to Section 1.4.3 that 1) alters the size or output characteristics of the Generating Facility from its Utility-approved Interconnection Request submission; or 2) may adversely impact other Interdependent Interconnection Requests with higher Queue Numbers.

1.5.1 Indicia of a Material Modification, include, but are not limited to:

1.5.1.1 A change in Point of Interconnection (POI) to a new location, unless the change in a POI is on the same circuit less than two (2) poles away from the original location, and the new POI is within the same protection zone as the original location;

1.5.1.2 A change or replacement of generating equipment such as generator(s), inverter(s), transformers, relaying, controls, etc. that is not a like-kind substitution in size, ratings, impedances, efficiencies or capabilities of the equipment specified in the original or preceding Interconnection Request;

1.5.1.3 A change from certified to non-certified devices (“certified” means certified by an OSHA recognized Nationally Recognized Test Laboratory (NRTL), to relevant UL and IEEE standards, authorized to perform tests to such standards);

1.5.1.4 A change of transformer connection(s) or grounding from that originally proposed;

1.5.1.5 A change to certified inverters with different specifications or different inverter control specifications or set-up than originally proposed;

1.5.1.6 An increase of the AC output of a Generating Facility; or

1.5.1.6 A change reducing the AC output of the generating facility by more than 10%.

1.5.2 The following are not indicia of a Material Modification:

1.5.2.1 A change in ownership of a Generating Facility; the new owner, however, will be required to execute a new Interconnection Agreement and Study agreement(s) for any Study which has not been completed and the Report issued by the Utility.

1.5.2.2 A change or replacement of generating equipment such as generator(s), inverter(s), solar panel(s), transformers, relaying, controls, etc. that is a like-kind substitution in size, ratings, impedances, efficiencies or capabilities of the equipment specified in the original or preceding Interconnection Request;

1.5.2.3 An increase in the DC/AC ratio that does not increase the maximum AC output capability of the generating facility;

1.5.2.4 A decrease in the DC/AC ratio that does not reduce the AC

output capability of the generating facility by more than 10%.

1.5.3 To the extent Interconnection Customer proposes to modify any information provided in the Interconnection Request deemed complete by the Utility, the Interconnection Customer shall submit any such modifications to the Utility in writing. If the Utility determines that the proposed modification(s) constitutes a Material Modification, the Utility shall notify the Interconnection Customer in writing within ten (10) Business Days that the modification is a Material Modification and the Interconnection Request shall be withdrawn from the Queue unless the Interconnection Customer withdraws the proposed Material Modification within 15 Calendar Days of receipt of the Utility’s written notification. If the modification is determined by the Utility not to be a Material Modification, then the Utility shall notify the Interconnection Customer in writing that the modification has been accepted and that the Interconnection Customer shall retain its Queue Number. Any dispute as to the Utility’s determination that a modification constitutes a Material Modification shall proceed in accordance with Section 6.2 below.

1.5.4 Modification Inquiry

1.5.4.1 Prior to making any modification, the Interconnection Customer may first submit an informal modification inquiry in writing that requests the Utility to evaluate whether such modification to the original or most recent Interconnection Request is a Material Modification. The Interconnection Customer shall provide specific details on all changes that are to be considered by the Utility.

1.5.4.2 In response to Interconnection Customer's informal request, if the Utility evaluates the proposed modification(s) and determines that the changes are not Material Modifications, the Utility shall inform the Interconnection Customer in writing within ten (10) Business Days. If the Interconnection Customer wishes to proceed with the proposed modification(s), the Interconnection Customer shall submit a revised Interconnection Request Application Form that reflects the approved modifications.

***From the Definitions (largely repeats what is above)***

“**Material Modification**” means a modification to machine data or equipment configuration or to the interconnection site of the Generating Facility that has a material impact on the cost, timing or design of any Interconnection Facilities or Upgrades. Material Modifications include project revisions proposed at any time after receiving notification by the Utility of a complete Interconnection Request pursuant to Section 1.4.3 that 1) alters the size or output characteristics of the Generating Facility from its Utility-approved Interconnection Request submission; or 2) may adversely impact other Interdependent Interconnection Requests with higher Queue Numbers.

Indicia of a Material Modification, include, but are not limited to:

• A change in Point of Interconnection (POI) to a new location, unless the change in a POI is on the same circuit less than two (2) poles away from the original location, and the new POI is within the same protection zone as the original location;

* A change or replacement of generating equipment such as generator(s), inverter(s), transformers, relaying, controls, etc. that is not a like-kind substitution in size, ratings, impedances, efficiencies or capabilities of the equipment specified in the original or preceding Interconnection Request;
* A change from certified to non-certified devices (“certified” means certified by an OSHA recognized Nationally Recognized Test Laboratory (NRTL), to relevant UL and IEEE standards, authorized to perform tests to such standards);
* A change of transformer connection(s) or grounding from that originally proposed;
* A change to certified inverters with different specifications or different inverter control specifications or set-up than originally proposed;
* An increase of the AC output of a Generating Facility; or
* A change reducing the AC output of the generating facility by more than 10%.

The following are not indicia of a Material Modification:

* A change in ownership of a Generating Facility; the new owner, however, will be required to execute a new Interconnection Agreement and Study agreement(s) for any Study which has not been completed and the Report issued by the Utility.
* A change or replacement of generating equipment such as generator(s), inverter(s), solar panel(s), transformers, relaying, controls, etc. that is a like-kind substitution in size, ratings, impedances, efficiencies or capabilities of the equipment specified in the original or preceding Interconnection Request;
* An increase in the DC/AC ratio that does not increase the maximum AC output capability of the generating facility;
* A decrease in the DC/AC ratio that does not reduce the AC output capability of the generating facility by more than 10%.