

May 1, 2024

VIA FEDEX & EMAIL

Julie Hargrave
The Central Pine Barrens Commission Office
624 Old Riverhead Road (CR 31)
Westhampton Beach, NY 11978

**RE: CVE US NY Westhampton 243 LLC (Solar Repurposing of Westhampton Mine)
Response to Staff Comments; NPV# 11010**

Dear Ms. Hargrave,

Below please find detailed responses to comments and concerns raised in the Staff Report and the April 2024 Central Pine Barrens Commission meeting with regards to the Solar Repurposing of Westhampton Mine project. Please add this documentation to the record of Applicants submissions for the file and please circulate this to the Commission members. We believe that this additional detail supports the case for approval of the Core Preservation Area (CPA)/Compatible Growth Area (CGA) Hardship Application and Critical Resource Area (CRA) approval (as necessary), for the above referenced project.

Staff Discussion/Comments from April 17, 2024 Staff Report

- 1. Requesting the applicant discuss how the project demonstrates hardship given the 2012 waiver requests and protected open space.*

The Applicant has presented hardship criteria via application materials, supporting documentation, and public hearings conducted to date. The most recent public hearing on April 17, 2024 extensively supported the project's conformance with hardship criteria and has been provided to the Commission.

As a summary, the land owner (LO) has offered the following:

- Shorten the period of mining from 2044 to 2039 which will allow the site to be restored sooner and natural area to be established within the mining area within a 5-year shorter time frame.
- File a Conservation Easement to protect the south 24 acres of the subject property.
- Not seek any extensions to mining after 2039 or solar use after the expiration of the subject application by CVE.

In addition, as noted, the LO will sacrifice mining on 1.55 acres in the northeast part of the site which results in the loss of 100,000 cubic yards of material that would otherwise have been mined.

The Applicant has also extensively supported a case for compelling public need for the proposed project and recognizes that the Commission requires additional support for an analysis of

alternatives. As presented in the recent public hearing, a full Coordinated Electric System Interconnection Review (CESIR) has been completed, which determined that this site is extremely rare in its ability to connect to the grid given very scarce “available substation and circuit capacity” within the utility. Most land on Long Island is unable to connect to the grid with available substation and circuit capacity. The interconnection agreement between CVE and PSEG-LI is included in our submission as **Attachment C**. CVE has performed an extensive search of properties over multiple years in pursuit of land that can accommodate community scale solar projects. Given restrictive zoning in all towns, lack of substation and circuit capacity with the utility and higher value uses of land on Long Island, it is nearly impossible to develop community scale solar projects here. This site has incredible characteristics that make it not only unique but extremely rare. The site is fully disturbed, zoning is favorable, cannot be seen by neighbors, no nearby residential zoning, the bottom of the mine is flat, the site can be positively repurposed from its environmentally distressed state, and we have an approval from the utility to inject clean renewable power is absolutely unheard of.

CVE’s proposed use of the property as a community solar energy facility is specifically permitted under Town Code §330-162.24. This Code section creates opportunity zones that permit the siting of community-scale solar energy systems on certain types of property designated in §330-162.24 (B). The host township put this code in place to attract clean energy projects to be located at distressed mine sites which reside in the pine barrens.

The value of land on Long Island has proven to be a barrier to community solar development, as unprotected land is extremely valuable and has many other higher value uses. Additional barriers identified in the scouting of sites have been opposition from abutting properties who are visually impacted and protest solar implementation. The proposed project site is unique in that it has no other beneficial use as the base of the retired mine site has fewer alternative uses so lease or purchase value enables community solar development, and the solar project would not be visible from the base of the mine.

The Applicant would like to stress that for the Town, County and the State to meet its clean energy goals, many more projects of this size will need to be developed. This is the only site that meets applicable criteria within the Core.

Of note, the Long Island Solar Roadmap does not provide alternative sites for the development of a community solar project of this scale. Rather than identifying specific locations for such projects, the Long Island Solar Roadmap conducted a spatial analysis that identified tax parcels that could host a combined solar installation capacity of 250 kW or larger on rooftops, parking lots, and previously impacted lands. Nearly all areas noted in the Solar RoadMap overlay residential neighborhoods or already developed parcels like Country Clubs, schools, etc. These projects could only accommodate a fraction of the power that could be generated at the Westhampton Mine project.

Sensitive natural areas were categorically excluded from the analysis, including the Central Pine Barrens, even though the bottom of a sand mine is exactly the type of low-impact solar development promoted in the Long Island Solar Roadmap.

The report also indicates grid interconnection is a limiting factor, with low hosting capacity. Per the report, there are potential limitations to interconnecting mid- to large- scale solar installations across much of Long Island.

CVE has seen the inability to connect to the utility grid be the primary cause for the Massachusetts state solar program to come to a halt after many years of robust activity. Many areas of NY State do not have utility interconnection capacity; therefore projects can't be sited. In addition, most towns and villages on Long Island have restrictive zoning laws to prohibit commercial scale solar projects to be sited. In all LI towns the available land for commercial scale ground mount solar is less than 1%. Planning Boards protect agricultural land, residentially zoned areas and even don't allow them in commercial zoning districts. In the Town of Southampton, the existing mines are either still active or would require vegetation clearing to host the system. Our land partner has negotiated with all landowners where zoning allows for commercial ground mounted solar projects, and all sites are ineligible in Southampton and other towns for these reasons and the inability to get permission from the utility to connect to the grid.

The current reliance on renewable energy sources in Long Island stands at a mere 5%, significantly below the ambitious targets set by the State. While the Long Island Solar Roadmap is a helpful tool for developers and policy makers, we need to develop all low impact sites available to us, including the Westhampton Sand Mine, to maximize our chances of meeting state targets and fulfilling the renewable energy objectives of Long Island communities.

Please see attached letter from Greenberg Traurig, LLP (**Attachment A**) including additional detail regarding the extraordinary hardship criteria.

2. *Submit an updated site plan with the 50-acre buildout*

This updated site plan has been prepared and submitted to the Commission (see **Attachment B**). Please note that the Phase 2 location is approximate, as the location will be based on available capacity of the infrastructure, and based on mining activity status. The Phase 2 portion of the project will be a duplicate of Phase 1, will be situated in the base of the mine, and will not disturb any existing vegetation.

3. *Clarify the location on the site relative to the CGA and Core boundaries*

An updated site plan has been provided and clearly reflects the CGA/CPA boundary. Approximately 50% of the Phase 1 project is situated within the CGA, and approximately 50% is within the CPA. The entirety of Phase 2 would be situated within the CPA boundary.

4. *Confirm number of acres mined to date and the amount of material extracted*

Approximately 45 acres have been mined to date. The quantity of material extracted is not readily available as it is based on surveys of the mine activity during set periods and are reported to NYSDEC. Specifically, this information is provided on reporting to NYSDEC and surveys and updated according to the mining permit.

5. *Confirm number of acres left to mine and the amount left to be extracted*



Approximately 45 acres are left to be mined to date. The quantity of material left to be extracted is not readily available as it is based on surveys of the mine activity during set periods and are reported to NYSDEC. Specifically, this information is provided on reporting to NYSDEC and surveys and updated according to the mining permit.

6. *Explain assurance that another development proposal will not be proposed when solar is decommissioned. Will the site then be committed as open space?*

CVE will provide full assurance that they will not be seeking any further development for this site after solar decommissioning. This can be accomplished by covenant as a follow-up to any conditions.

The landowner will also provide full assurance that they will not seek any additional approvals, hardships, or uses. They will forgo any further development for this site after solar decommissioning.

Additionally, the landowner has committed to establish a Conservation Easement on 24 acres on the south part of the site and forfeit any development at all on this portion of the site which is has not been mined.

7. *Explain whether this will require a change to the mine land reclamation permit and DEC approval. Explain the process to change the reclamation plan, close the mine, allow a new land use on the mine. We should require the applicant to get a letter from DEC that states whether there will need to be a change to the mine land reclamation permit and require DEC review and approval?*

NYSDEC and the New York Governor's office are very supportive of mine-to-solar project reclamations. A process is in place to facilitate this effort, and they will support the reuse of the site for solar development. All required approvals will be acquired prior to implementation of the proposed action.

8. *Restoration, mine reclamation plan. Discuss the current status of restoration as it relates to the schedule presented in the 2012 waiver application. How many acres have been restored, how much is left, what is the present schedule to complete mining and to complete restoration. Provide plans on current and future restoration plans.*

Approximately 26 acres have been restored out of 91-acre mine site. In addition, as noted, the landowner will sacrifice mining on 1.55 acres in the northeast part of the site which results in the loss of 100,000 cubic yards of material that would otherwise have been mined.

9. *SEQRA process, Type I Action. Coordinated review with Southampton Town and NYSDEC. Waiting for responses from the coordinated material to establish lead agency and make a determination of significance pursuant to section 617.6(b)(5)(iv) of the SEQRA regulations. Received response from Southampton on April 12 deferring lead agency and providing comments.*

Acknowledged. No additional comments pertaining to the SEQRA process.

- 10. Discuss the decommissioning plan, schedule, bond and other requirements. Submit a decommissioning plan to the commission for review prior to a decision. A plan has not been prepared or submitted to date.*

It was envisioned that a final decommissioning plan would be prepared when CVE engages directly with the Town of Southampton. The plan will be assembled and signed off by a third-party civil engineering consultant and submitted to the Town when required. CVE will also secure a bond for the decommissioning costs, which will be issued to the Town. If approved, CVE will expedite the decommissioning plan and provide to the Commission for review as soon as possible.

- 11. Further comments and recommendations may be necessary after the public hearing or receipt of additional information.*

Additional comments and recommendations received within the staff report and during the April 2024 public hearing are outlined below.

Additionally, comments and recommendations were identified throughout the staff report and during the public hearing. Responses to these items are outlined below.

- 1. Does the shortening of the life of the mine from 2044 to 2039 represent a reduction in the amount of material excavated or an acceleration of the approved mining activity?*

The shortening of the life of the mine will represent an acceleration of the approved mining activity. The shortening of the life of the mine will also shorten the transportation activity at the site and accelerate the revegetation plan (i.e., five years sooner) for the northern section of the mine. In addition, as noted, the LO will sacrifice mining on 1.55 acres in the northeast part of the site which results in the loss of 100,000 cubic yards of material that would otherwise have been mined.

- 2. Confirm if any sewage generating uses are proposed such as an office with a restroom.*

No sewage generating uses are proposed on-site in connection with the proposed action. Temporary construction bathrooms with self-enclosed containment tanks will be used during the construction period.

- 3. There are other sand mines available that are not restricted by conservation easements; therefore, compelling public need criteria cannot be met.*

Please see discussion of alternatives in Staff Report Comment #1. All mine site owners within the pine barrens (as well as outside) have been approached for consideration of community solar projects. Other mine sites are either still in active operation, partially or fully vegetated, owners are not willing to lease for solar, and importantly, sites have been deemed to have no available “substation or circuit capacity” by the utility. A full CESIR study has been completed which identified this site as extremely rare in its ability to connect to the grid given very scarce “available substation and circuit capacity” within the utility. In other towns, zoning laws also impact the ability to develop projects. The host township has established a code specifically to

positively repurpose former mining sites in and out of the pine barrens for the development of community solar benefit projects

Cleared flat land on Long Island is extremely valuable and has many higher value alternative uses. The base of this retired mine site has very few alternative uses so a low value lease enables community solar development so that economic benefits can be provided to LMI residents in the area, schools, town facilities and places of worship.

4. *No alternatives analysis or description of Applicant's efforts to locate another suitable site for the Project.*

Please see discussion of alternatives in Staff Report Comment #1. CVE and many other solar developers have scoured Long Island for years to identify suitable sites for community solar projects. Restrictive zoning laws prohibit projects, many other sites have incurred too much opposition from abutting properties who are impacted visually and don't want to see solar, and ability to get permission from the utility is a widespread impediment to solar development. Our efforts are detailed in the response to Staff Report Comment 1 described above.

5. *As a threshold matter, Applicant must receive permission to modify the easement simply to make its request. Proposal is inconsistent with scope of easement modifications in connection with Boy Scout Council. Commission has not modified any other easements.*

This issue was addressed in depth during the public hearing, and presentation materials have been submitted to the Commission. Per Miscellaneous Item #5 of the Conservation Easement, Westhampton Property and the Commission recognize that circumstances could arise which would justify the modification of certain of the restrictions contained herein. Commission and Westhampton Property shall mutually have the right to agree to amendments to this Conservation Easement, which are not inconsistent with the basic purpose of this Conservation Easement.

6. *Address inconsistencies with conditions of 2012 waiver including conditions 5, 7, 8a and 8b.*
7. *Hardship criteria*
 - a. *Site has a beneficial use for the financial benefit of the Applicant, which was expanded from 2012 to 2044*

The case for hardship exemption has been proven on the basis of environmental hardship, regardless of economic hardship.

A resolution in connection with the Northern Sites Application/J. Nemeth application dated March 9, 1994 demonstrated the Commission's stance that hardship in the Core should be based on environmental hardship and not economic hardship. There is no environmentally beneficial use for this property since it has been extensively disturbed.

Regardless of the economic situation of the Applicant or landowner, the proposed project will financially benefit lower income residents of the area with reduced PSEG utility costs. The Project can also financially benefit the towns of Riverhead, Southampton and Brookhaven, Suffolk County, and the SCWA with reduced community solar PSEG utility costs.

Please see letter prepared by Greenberg Traurig, LLP (**Attachment A**) providing additional detail regarding the beneficial use and financial benefit associated with this application.

b. *Project is a private facility by a private entity and does not arise out of the characteristics of the property.*

There is a significant public benefit to this project in the form of equitable energy savings for LMI residents, town facilities, schools, etc. In addition, this project helps the host township, the county, and the state achieve public benefit goals that are well identified elsewhere in our submission. Generating clean energy from a renewable source improves the air and water quality for all Long Islanders, area states and the region.

The sunken mine site with its flat bottom valley is the perfect property characteristic for a solar project that people want the benefit of and fully support but don't want to see. The availability of circuit and substation capacity within a very constricted grid infrastructure is the unicorn characteristic of the property. The entire mine site was long ago cleared of established forest and wildlife. An ideal property characteristic and perfect opportunity to positively repurpose a severely impacted site.

Please add this to the file and distribute, and please feel free to contact me should you have any questions.

Very Truly Yours,

Nelson, Pope & Voorhis, LLC



Brianna Sadoski
Project Manager/Senior Environmental Planner

cc: Judy Jakobsen (CPBJPPC) (via email only)
John Milazzo (CPBJPPC) (via email only)
Steven Engelmann (CVE Group) (via email only)
David Gilmartin, Esq. (Applicant Counsel) (via email only)
Brianna Sadoski (NPV) (via email only)

Attachment A
Greenberg Traurig, LLP Letter
May 1, 2024

David Gilmartin
Shareholder

Greenberg Traurig, LLP
2317 Montauk Hwy | Bridgehampton, NY 11932
T +1 631.994.2407 | F +1 516.706.9111
David.Gilmartin@gtlaw.com | www.gtlaw.com

May 1, 2024

Via Electronic Delivery

Central Pine Barrens Joint Planning and Policy Commission
624 Old Riverhead Road
Westhampton Beach, New York 11978

Re: CVE US NY Westhampton 243 LLC
SCTM No: 0900-27600-0300-001000; 00200

Dear Honorable Members of the Commission:

This firm represents CVE US NY Westhampton 243 LLC (“CVE” or the “Applicant”) with respect to its application for a hardship waiver to allow for the development of a community benefit solar project (the “Project”) within the Compatible Growth Area and Core Preservation Area. The subject property was identified by CVE based upon its unique ability to provide interconnectivity into the grid while at the same time complying with the zoning requirements of the Town of Southampton. The subject property is also isolated from residential uses avoiding ill-informed community opposition sometimes associated with solar development. The property’s location and its ability to connect to the grid make it an ideal site to develop a community benefit solar project. The Town of Southampton recognized this when it recently adopted L.L. No. 9-2023 and identified sand mines as “opportunity areas” which should be considered for the siting of solar energy systems.

As the record makes clear, the benefits of the Project are far-reaching. The Project will provide energy savings to lower- and moderate-income residents of the area by providing reduced PSEG utility costs. The project will further the New York State mandated clean energy goals provided under the *Climate Leadership and Community Protection Law* (the “CLCP”) as it is projected to generate enough clean renewable energy to sustainably power over 800 Long Island homes. To that end, the Project plays a crucial role in the broader energy transition needed to safeguard the Pine Barrens from the numerous challenges posed by climate change. It is no coincidence that this Commission is made up of important elected officials who have the ability to make informed decisions on important environmental issues impacting so many. Here, the choice is simple – help turn a barren sand mine into a community benefit solar project while at the same time protecting and enhancing the Central Pine Barrens.

In reviewing a Core Preservation Area extraordinary hardship exemption application, the Commission shall consider the criteria set forth in ECL §§57-0121(10)(a) and 57-0121(10)(c)(i), (ii), and (iii) to determine whether the Applicant has established the existence of extraordinary hardship, as distinguished from a mere inconvenience, and whether the requested relief is consistent with the purposes and provisions of the Act and if granted, would not result in a substantial impairment of the resources of the Central Pine Barrens area. As will be demonstrated, there can be no question that the CVE has satisfied each of the relevant criteria necessary to obtain an extraordinary hardship from this Commission.

Notably absent from the Article 57 hardship criteria, however, is a consideration of financial/economic benefit to an applicant and/or property owner. If financial benefit to a property owner were a valid reason to deny a hardship waiver, nearly every other waiver application before this Commission would have been denied. The purpose of a waiver is to provide relief to allow development of a property the Long Island Pine Barrens Protection Act of 1993 (the “Act”) would otherwise prohibit. And so, every waiver previously approved by this Commission allowing private development otherwise prohibited by the Act has resulted in financial benefit to the applicant and/or property owner. Therefore, a denial based upon financial gain to an applicant would, in our opinion, be arbitrary and capricious.

ECL §57-0121(10) sets forth the specific standards which must be met prior to the approval a hardship waiver. Here, the Applicant satisfies each of these criteria and has demonstrated an extraordinary hardship if the Project is not able to be developed on the site. First and foremost, some of the subject property does not have any beneficial use if the requested waiver is not approved – a fact best demonstrated by examining the previous decision on this property where the Commission determined that “the Applicant has no other beneficial use of the site if not used as a mine.” As the record makes clear, the property owner’s ability to mine that portion of the site which is subject of this application has ceased. Without the waiver, the property will remain privately owned but partially fallow and barren. In contrast, the waiver will allow for the development of the site into a community benefit solar project providing environmental benefits to the subject property, the Central Pine Barrens, the surrounding Towns of Southampton, Brookhaven and Riverhead, and Suffolk County as a whole.

The properties lack of beneficial use results from the unique circumstances of the subject property and has been created by the Act itself. The use of the subject property as a sand mine pre-dates both the Town of Southampton Zoning Code and the Act. The site has already been disturbed, cleared and excavated, and is devoid of any existing natural vegetation and wildlife habitat. In fact, in a previous decision concerning the subject property, the Commission determined that the site was unique – containing “a pre-existing sand mine permitted and developed in 1981...with no disturbance to existing native vegetation or clearing beyond the existing extent of the currently permitted mine.” Therefore, it is the Act itself which creates the hardship – a fact previously recognized by the Commission.

In consideration of ECL §57-0121(10)(a)(i), the property’s lack of beneficial use stems from the unique circumstances of the subject property and does not apply to nor affect other properties in the immediate vicinity. Distinguishing the subject properties from others in the immediate vicinity is the fact that the subject was developed and permitted as a sand mine prior to the Act. The proposed community benefit solar project will be developed solely within the

previously disturbed area. Moreover, only a portion of the subject property is located within the border of the Core Preservation Area in which many properties therein are held under public ownership. The remaining portion of the property is located within the Compatible Growth Area. The waiver will allow for the positive repurposing of an environmentally distressed mining site while at the same time providing a much needed – and State and Town mandated - benefit to the community. There are no other properties in vicinity with the same or even similar circumstances, and therefore, no properties in the immediate vicinity are impacted or affected by these circumstances.

As per ECL §57-0121(10)(a)(ii) and (iii), the necessity for a waiver arises out of the characteristics of the subject property rather than the personal situation of the Applicant and is due to the Act itself. As discussed, the subject property was utilized for a permitted and developed use that predates the Act. The majority of the privately owned site has already been disturbed and cleared with no existing protected open space on the project site to complement any adjacent open space. The development will occur wholly within the previously disturbed area without disturbing or removing any existing natural vegetation on the property. Thus, the parcel was disturbed at the time the Act was enacted and the disturbance is a characteristic of the property. It should also be noted that PSEG performed a Full Coordinated Electric System Interconnection Review (“CESIR”) which concluded that this property was “extremely rare” in its ability to connect with the grid.

The standards set forth in ECL §57- 0121(10)(c) are also met by the Applicant. The granting of the waiver will not be materially detrimental or injurious to other property or improvements in the area, increase the danger of fire, endanger public safety or result in substantial impairment of the resources of the core preservation area. The project involves the repurposing of distressed mining site, devoid of any natural features, into an environmentally friendly community benefit solar project. Importantly, no natural vegetation will be disturbed by the project. Instead, the project will utilize native restoration methods consistent with Commission guidelines; will provide a habitat for pollinators, herptiles, birds and other mammals; and will establish a permanent habitat that will continue after solar decommissioning. The record demonstrates that the Project presents no risk to public safety and will present a passive use - creating no impacts on wastewater, water use, population, density, or any other public services.

The waiver will not be inconsistent the general intent of the Act to protect groundwater and to preserve endangered species and is the minimal relief necessary to avoid the hardship – there is no other relief available under Article 57 for the Applicant to pursue. Due to the past development history of the property, no net increase in the amount of development in the Core Preservation Area will occur as a result of the Project. The waiver will allow for development to occur on an already developed site while reintroducing native vegetation to the parcel. The Project reuses a developed parcel and results in no clearing or disturbance to ecological resources of the Core Preservation Area. As a result, the waiver supports and accommodates development in a manner consistent with the long-term integrity of the Pine Barrens ecosystem.

Based upon the foregoing, CVE requests that the Commission exercise its discretion as the leaders of N.Y. State, Suffolk County, and the Towns of Southampton, Riverhead and Brookhaven and approve the application.

Sincerely,

/s/ David J. Gilmartin
David J. Gilmartin, Jr.

Cc: John Milazzo, Esq.
Steven Engelman

Attachment B

Site Plan





SYSTEM SUMMARY
DC SYSTEM SIZE: 11.2024 KW
AC SYSTEM SIZE: 6.07MW
AC SYSTEM TYPE: GROUND MOUNT
MODULE QUANTITY: 18,192
MODULE SIZE: 320W
INVERTER: 300KVA
INVERTER QUANTITY: 4

PROJECT ID: US502428050326
SHEET NAME: E-100
SITE PLAN

PROJECT NAME:
CVE - GIAQUINTO_1&2
GIAQUINTO1: 4.12MW AND GIAQUINTO2: 6.07MW
GROUND MOUNT SOLAR SYSTEM AT
PENNSYLVANIA AVE
WESTHAMPTON, NY 11977

PROFESSIONAL ENGINEER

DRAWING ISSUE
 PRELIMINARY
 PERMITTING
 CONSTRUCTION
 AS-BUILT

cve North America
109 W 27TH STREET, 8TH FLOOR
NEW YORK, NY 10001
cvenorthamerica.com

109 W 27TH STREET, 8TH FLOOR
NEW YORK, NY 10001
cvenorthamerica.com

REV				BY	DESCRIPTION	DATE
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Attachment C
PSEG Interconnection Agreement

APPENDIX A

Appendix A- Standardized Interconnection Contract For Systems 5MW Or Less

**LONG ISLAND LIGHTING COMPANY D/B/A LIPA
STANDARDIZED CONTRACT
FOR INTERCONNECTION OF DISTRIBUTED GENERATION AND/OR ENERGY STORAGE
SYSTEMS
WITH CAPACITY OF 5 MW OR LESS
CONNECTED IN PARALLEL WITH THE LIPA DISTRIBUTION SYSTEM**

Customer Information:

Name:
CVE US NY Westhampton 243 LLC

Address:
109 W. 27th Street, 8th Fl., New York, NY 10001

Telephone:
718-801-1694

Fax:

Email:
engineering.na@cvegroup.com

Installation Address (if different):
0 Pennsylvania Ave, Westhampton NY 11977

Or:
80 Sunrise Highway, Westhampton, NY 11977

Unit Application/PAM No.

PAM-2023-341617

Utility Information:

Name: Long Island Electric Utility Servco LLC
("T&D Manager") acting as agent for and
on behalf of **LONG ISLAND LIGHTING
COMPANY d/b/a LIPA ("LIPA")**

Address: 175 E. Old Country Road, E.O.B
Hicksville, NY 11801

Telephone: (516) 949-7004

Email: PSEG-LI-PAMInterconnect@pseg.com

Account Number: _____

APPENDIX A

DEFINITIONS

“Delivery Service” means the services LIPA may provide to deliver capacity or energy generated or stored by the Interconnection Customer to a buyer to a delivery point(s), including related ancillary services.

“Energy Storage System (“ESS”)” means a commercially-available mechanical, electrical or electro- chemical means to store and release electrical energy, and its associated electrical inversion device and control functions that may be stand-alone or paired with a distributed generator at a point of common coupling.

“Interconnection Customer” means the owner of the Unit or any entity that proposes to interconnect with LIPA’s Distribution System.

“Interconnection Facilities” means the equipment and facilities on LIPA’s system necessary to permit operation of the Unit in parallel with LIPA’s system.

“Material Modification” means a Modification to a Unit that may have adverse impacts on the LIPA’s system, LIPA customers, other projects, or applications in the interconnection queue.

“Modification” means a change to the ownership, equipment, equipment ratings, equipment configuration, or operating conditions of the Unit.

“Net energy metering” means the use of a net energy meter to measure, during the billing period applicable to a customer-generator, the net amount of electricity supplied by an electric corporation and provided to the corporation by a customer-generator. T&D Manager shall install an AMI smart meter for Net Metering customer-generator.

“Premises” means the real property where the Unit is located.

“Smart Meter” means advanced metering infrastructure (AMI). For additional information, refer to <https://www.psegliny.com/myaccount/serviceandrates/mysmartenergy/smartmeter>

“Party” or “Parties” means LIPA and Interconnection Customer either individually or collectively.

“SGIP” means the PSEG Long Island Small Generator Interconnection Procedures For Distributed Generators and Energy Storage Systems Less than 10 MW Connected in Parallel with LIPA’s Radial Distribution System which are applicable to new and modifications to existing distributed generation units with a nameplate capacity less than 10 MW connected in parallel with the LIPA distribution system, posted at <https://www.psegliny.com/files.cfm/SGIP.pdf>.

“T&D Manager” also referred to herein as **“PSEG Long Island,”** means Long Island Electric Utility Servco LLC, a wholly owned subsidiary of PSEG Long Island LLC, which has managerial responsibility for the day-to-day operational maintenance of, and capital investment to, the electric transmission and distribution system owned by LIPA as of January 1, 2014, pursuant to that Amended Restated Operations Services Agreement, dated as of December 31, 2013, as amended and restated by the Second Amended and Restated Operations Services Agreement (“OSA”) dated as of December 15, 2021, that became effective on April 1, 2022, or any successor or assignee thereof providing certain operation, maintenance and other services to LIPA. T&D Manager administers this Agreement on LIPA’s behalf as its agent.

“Unit” means the distributed generation, stand-alone ESS, or combined generation and ESS facilities approved by the T&D Manager with a nameplate capacity of 5 MW or less located on the

APPENDIX A

Interconnection Customer's premises at the time T&D Manager approves such Unit for operation in parallel with LIPA's system. This Agreement relates only to such Unit, but a new agreement shall not be required if the Interconnection Customer makes physical alterations to the Unit that do not result in an increase in its nameplate capacity. The nameplate generating or inverter/converter rating of the Unit shall not exceed 5 MW in aggregate.

I. TERM AND TERMINATION

1.1 Term: This Agreement shall become effective when executed by both Parties and shall continue in effect until terminated.

1.2 Termination: This Agreement may be terminated as follows:

- a. The Interconnection Customer may terminate this Agreement at any time, by giving T&D Manager and LIPA sixty (60) days' written notice.
- b. Failure by the Interconnection Customer to seek final acceptance by T&D Manager within twelve (12) months after completion of T&D Manager's construction process described in the SGIP shall automatically terminate this Agreement.
- c. Either Party may, by giving the other Party at least sixty (60) days' prior written notice, terminate this Agreement in the event that the other Party is in default of any of the material terms and conditions of this Agreement. The terminating Party shall specify in the notice the basis for the termination and shall provide a reasonable opportunity to cure the default.
- d. LIPA may, by giving the Interconnection Customer at least sixty (60) days' prior written notice, terminate this Agreement for cause. The Interconnection Customer's non-compliance with any modification to the SGIP, unless the Interconnection Customer's installation is "grandfathered," shall constitute good cause.

1.3 Disconnection and Survival of Obligations: Upon termination of this Agreement the Unit will be disconnected from LIPA's system. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

1.4 Suspension: This Agreement will be suspended during any period in which the Interconnection Customer is not eligible for delivery service from LIPA.

II. SCOPE OF AGREEMENT

2.1 Scope of Agreement: This Agreement relates solely to the conditions under which LIPA and the Interconnection Customer agree that the Unit may be interconnected to and operated in parallel with LIPA's system.

2.2 Electricity Not Covered: Neither LIPA nor T&D Manager shall have any duty under this Agreement to account for, pay for, deliver, or return in kind any electricity produced by the Facility and delivered into LIPA's system unless the system is net metered pursuant to LIPA's Net Metering Rules.

III. INSTALLATION, OPERATION AND MAINTENANCE OF UNIT

APPENDIX A

3.1 Compliance with SGIP: Subject to the provisions of this Agreement, T&D Manager shall be required to interconnect the Unit to LIPA's system, for purposes of parallel operation, if T&D Manager accepts the Unit as in compliance with the SGIP. The Interconnection Customer shall have a continuing obligation to maintain and operate the Unit in compliance with the SGIP.

3.2 Observation of the Unit - Construction Phase: T&D Manager may, in its discretion and upon reasonable notice, conduct reasonable on-site verifications during the construction of the Unit. Whenever the T&D Manager chooses to exercise its right to perform observations herein it shall specify to the Interconnection Customer its reasons for its decision to perform the observation. For purposes of this paragraph and paragraphs 3.3 through 3.5, the term "on-site verification" shall not include testing of the Unit, and verification tests shall not be required except as provided in paragraphs 3.3 and 3.4.

3.3 Observation of the Unit - Ten-day Period: T&D Manager may conduct on-site verifications of the Unit and observe the execution of verification testing within a reasonable period of time, not exceeding ten (10) Business Days after system installation. The Interconnection Customer's Unit will be allowed to commence parallel operation upon satisfactory completion of the verification test. The Interconnection Customer must have complied with and must continue to comply with all contractual and technical requirements.

3.4 Observation of the Unit - Post-Ten-day Period: If T&D Manager does not perform an on-site verification of the Unit and observe the execution of verification testing within the ten-day period, the Interconnection Customer will send T&D Manager within five (5) days of the verification testing a written notification certifying that the Unit has been installed and tested in compliance with the SGIP, T&D Manager-accepted design and the equipment manufacturer's instructions. The Interconnection Customer may begin to produce energy upon satisfactory completion of the verification test. After receiving the verification test notification, T&D Manager, on behalf of LIPA will either issue to the Interconnection Customer a formal letter of acceptance for interconnection, or may request that the Interconnection Customer and T&D Manager set a date and time to conduct an on-site verification of the Unit and make reasonable inquiries of the Interconnection Customer, but only for purposes of determining whether the verification tests were properly performed. The Interconnection Customer shall not be required to perform the verification tests a second time, unless irregularities appear in the verification test report or there are other objective indications that the tests were not properly performed in the first instance.

3.5 Observation of the Unit - Operations: T&D Manager may conduct on-site verification of the operations of the Unit after it commences operations if T&D Manager has a reasonable basis for doing so based on its responsibility to provide continuous and reliable utility service or as authorized by the provisions of LIPA's Retail Electric Tariff relating to the verification of such installations generally.

3.6 Costs of Interconnection Facilities: During the term of this Agreement, T&D Manager shall design, construct and install the Interconnection Facilities. The Interconnection Customer shall be responsible for paying the incremental capital cost of such Interconnection Facilities attributable to the Interconnection Customer's Unit. Except as set forth in the "Operating Instructions" for the Unit, all costs associated with the operation and maintenance of the Interconnection Facilities after the Unit first produces energy shall be the responsibility of LIPA.

3.7 Modifications to the Unit: The Interconnection Customer may request a Modification at any time after commencement of parallel operation. T&D Manager shall evaluate the request and determine whether the proposed change is a Material Modification in accordance with the rules for requesting changes to applications in the SGIP. A Material Modification will be studied pursuant to the procedures in the SGIP for new applications. In the case of a non-material modification that is accepted by T&D

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Manager, the Parties will execute an amendment to this Agreement describing the Unit changes that have been approved.

IV. DISCONNECTION OF THE UNIT

4.1 Emergency Disconnection: T&D Manager may disconnect the Unit, without prior notice to the Interconnection Customer (a) to eliminate conditions that constitute a potential hazard to Company personnel or the general public; (b) if pre-emergency or emergency conditions exist on the LIPA System; (c) if T&D Manager observes a hazardous condition relating to the Unit in an inspection; or (d) if the Interconnection Customer has tampered with any protective device. T&D Manager shall notify the Interconnection Customer of the emergency if circumstances permit. The Interconnection Customer shall notify T&D Manager promptly when it becomes aware of an emergency condition that affects the Unit that may reasonably be expected to affect the LIPA system.

4.2 Non-Emergency Disconnection: T&D Manager may disconnect the Unit, after notice to the responsible party has been provided and a reasonable time to correct, consistent with the conditions, has elapsed, if (a) the Interconnection Customer has failed to make available records of verification tests and maintenance of his protective devices; (b) the Unit system interferes with Company equipment or equipment belonging to other customers of LIPA; (c) the Unit adversely affects the quality of service of adjoining customers or (d) the Energy Storage System does not operate in compliance with the operating parameters and limits described in Appendix J of the SGIP except as set forth in the “Operating Instructions” for the Unit.

4.3 Disconnection by Interconnection Customer: The Interconnection Customer may disconnect the Unit at any time.

4.4 LIPA Obligation to Cure Adverse Effect: If, after the Interconnection Customer meets all interconnection requirements, the operations of LIPA are adversely affecting the performance of the Unit or the Interconnection Customer’s premises, T&D Manager shall immediately take appropriate action to eliminate the adverse effect. If T&D Manager determines that LIPA needs to upgrade or reconfigure its system the Interconnection Customer will not be responsible for the cost of new or additional equipment beyond the point of common coupling between the Interconnection Customer and LIPA.

V. ACCESS

5.1 Access to Premises: T&D Manager shall have access to the disconnect switch of the Unit at all times. At reasonable hours and upon reasonable notice consistent with Section III of this Agreement, or at any time without notice in the event of an emergency (as defined in paragraph 4.1), T&D Manager and LIPA shall have access to the Premises.

5.2 Company and Interconnection Customer Representatives: T&D Manager shall designate, and shall provide to the Interconnection Customer, the name and telephone number of a representative or representatives who can be reached at all times to allow the Interconnection Customer to report an emergency and obtain the assistance of T&D Manager. For the purpose of allowing access to the premises, the Interconnection Customer shall provide T&D Manager with the name and telephone number of a person who is responsible for providing access to the Premises.

5.3 Company Right to Access Company-Owned Facilities and Equipment: If necessary for the purposes of this Agreement, the Interconnection Customer shall allow LIPA or T&D Manager access to LIPA’s equipment and facilities located on the Premises. To the extent that the Interconnection Customer does not own all or any part of the property on which LIPA is required to locate its equipment or facilities

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to serve the Interconnection Customer under this Agreement, the Interconnection Customer shall secure and provide in favor of LIPA or T&D Manager the necessary rights to obtain access to such equipment or facilities, including easements if the circumstances so require.

VI. DISPUTE RESOLUTION

6.1 Good Faith Resolution of Disputes: Each Party agrees to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.

6.2 Mediation: If a dispute arises under this Agreement, and if it cannot be resolved by the Parties within ten (10) Business Days after written notice of the dispute, the parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current CPR Institute for Dispute Resolution Mediation Procedure. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days.

6.3 Escrow: If there are amounts in dispute of more than two thousand dollars (\$2,000), the Customer shall either place such disputed amounts into an independent escrow account pending final resolution of the dispute in question, or provide to LIPA an appropriate irrevocable standby letter of credit in lieu thereof; provided however, that an Interconnection Customer that is an agency or instrumentality of the Federal government, or an agency or instrumentality of the New York State government, shall not be required to place such disputed amounts into escrow if the establishment of such an escrow would be inconsistent with applicable Federal or State law or regulations.

VII. INSURANCE

7.1 Recommendation for Insurance: The Interconnection Customer is not required to provide general liability insurance coverage as part of this Agreement, the SGIP, or any other LIPA requirement. Due to the risk of incurring damages however, LIPA recommends that every distributed generation customer protect itself with insurance.

7.2 Effect: The inability of LIPA to require the Interconnection Customer to provide general liability insurance coverage for operation of the Unit is not a waiver of any rights LIPA may have to pursue remedies at law against the Interconnection Customer to recover damages.

7.3 With respect to an Interconnection Customer who owns and/or operates solar, Farm Waste, Micro-Combined-Heat-and-Power, Micro-Hydroelectric, Fuel Cell, Wind, or Hybrid Electric Generating Equipment (as these terms are defined in the LIPA Tariff), T&D Manager may require the Interconnection Customer to:

- (i) Comply with additional safety or performance standards in addition to those specified in the SGIP;
- (ii) Perform or pay for additional tests;
- (iii) Purchase additional liability insurance when the total rated generating capacity of the electric generating equipment that provides electricity to LIPA through the same local feeder line exceeds twenty (20%) of the rated capacity of the total feeder line.

VIII. MISCELLANEOUS PROVISIONS

8.1 Beneficiaries: This Agreement is intended solely for the benefit of the parties hereto, and if a party is an agent, its principal. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any other person. T&D Manager is not a party to

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this Agreement, and is executing and administering this agreement on behalf of LIPA as LIPA's agent. T&D Manager shall have all rights of a Party hereunder with respect to accuracy of information, Force Majeure, limitations of liability, indemnification, and disclaimers of warranty.

8.2 Severability: If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion or provision shall be deemed separate and independent, and the remainder of this Agreement shall remain in full force and effect.

8.3 Entire Agreement: This Agreement constitutes the entire Agreement between the parties and supersedes all prior agreements or understandings, whether verbal or written.

8.4 Waiver: No delay or omission in the exercise of any right under this Agreement shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any agreement or covenant herein shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

8.5 Applicable Law: This Agreement shall be governed by and construed in accordance with the law of the State of New York, without regard to any choice of law provisions. However, if the Interconnection Customer is an agency or instrumentality of the United States Government, this Agreement shall be governed by the applicable laws of the United States of America and, to the extent that there is no applicable or controlling federal law, the laws of the State of New York, without regard to conflicts of law principles.

8.6 Amendments: This Agreement shall not be amended unless the amendment is in writing and signed by T&D Manager on behalf of LIPA and the Interconnection Customer.

8.7 Force Majeure: For purposes of this Agreement. "Force Majeure Event" means any event: (a) that is beyond the reasonable control of the affected Party; and (b) that the affected Party is unable to prevent or provide against by exercising reasonable diligence, including the following events or circumstances, but only to the extent they satisfy the preceding requirements: terrorism, acts of war, public disorder, insurrection, or rebellion; floods, hurricanes, earthquakes, lightning, storms, and other natural calamities; explosions or fires; strikes, work stoppages, or labor disputes; embargoes; and sabotage. If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, such Party will promptly notify the other Party in writing, and will keep the other Party informed on a continuing basis of the scope and duration of the Force Majeure Event. The affected Party will specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the affected Party is taking to mitigate the effects of the event on its performance. The affected Party will be entitled to suspend or modify its performance of obligations under this Agreement, other than the obligation to make payments then due or becoming due under this Agreement, but only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of reasonable efforts. The affected Party will use reasonable efforts to resume its performance as soon as possible.

8.8 Assignment to Corporate Party: At any time during the term, the Interconnection Customer may assign this Agreement to a corporation or other entity with limited liability, provided that the Interconnection Customer obtains the consent of T&D Manager on behalf of LIPA. Such consent will not be withheld unless T&D Manager on behalf of LIPA can demonstrate that the corporate entity is not reasonably capable of performing the obligations of the assigning Interconnection Customer under this Agreement.

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8.9 Assignment to Individuals: At any time during the term, an Interconnection Customer may assign this Agreement to another person, other than a corporation or other entity with limited liability, provided that the assignee is the owner, lessee, or is otherwise responsible for the Unit. The obligations under the Appendix A (Long Island Lighting Company D/B/A LIPA Standardized Contract for Interconnection of Distributed Generation and/or Energy Storage Equipment with Capacity of 5 MW or Less Connected in Parallel with the LIPA Distribution Systems), shall be binding on any successor owner of the Unit. If the Unit is sold LIPA may require the new Unit owner to sign an amended agreement.

8.10 Permits and Approvals: Interconnection Customer shall obtain all environmental and other permits lawfully required by governmental authorities prior to the construction and for the operation of the Unit during the term of this Agreement.

8.11 Limitation of Liability: Neither by inspection, if any, or non-rejection, nor in any other way, does LIPA or T&D Manager give any warranty, express or implied, as to the adequacy, safety, or other characteristics of any structures, equipment, wires, appliances or devices owned, installed or maintained by the Interconnection Customer or leased by the Interconnection Customer from third parties, including without limitation the Unit and any structures, equipment, wires, appliances or devices appurtenant thereto.

8.12 Additional Requirements: Additional interconnection requirements relating to the Unit and associated facilities are set forth in Exhibit A of this Agreement.

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ACCEPTED AND AGREED:

Long Island Electric Utility Servco LLC
acting as agent of and on behalf of
Long Island Lighting Company d/b/a LIPA

By: _____
(Signature)

Name: _____
(Print)

Title: _____

Date: _____

[Customer]

By: 
(Signature)

Name: **David Froelich**
(Print)

Title: **Director, Solar Business Development**

Date: **February 2, 2024**

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EXHIBIT A

ADDITIONAL INTERCONNECTION REQUIREMENTS