



Mississippi Power Company
Distribution Generator Interconnection Procedures

Approved by the Mississippi Public Service Commission

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Mississippi Power Company
2992 West Beach Boulevard
Gulfport, Mississippi 39501
<http://www.mississippipower.com>

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Mississippi Power Company

Distribution Generator Interconnection Procedures

("MPC DGIP Procedures")

I. INTRODUCTION

These MPC DGIP Procedures describe the process through which a Generator may request to interconnect with MPC's Distribution System and are designed to provide clear guidance to Generators concerning the procedures, fees, data, information, and timing applicable to MPC's consideration of distribution-level interconnection requests.

II. DEFINITIONS

These MPC DGIP Procedures use the defined terms set out below or as delineated in the body of these MPC DGIP Procedures and the listed rules of construction and interpretation.

Access Route – The suitable, all-weather access route from the nearest public roadway to the POI that is acceptable to MPC and is available to MPC at all times during the IA Term to facilitate MPC's provision of Interconnection Service.

Affected System – An Electric System, other than MPC, or an electric facility owner that is impacted by Generator's proposed interconnection.

Affected System Utility – A utility or electric facility owner, including an MPC affiliate, located on an Affected System whose facilities require additions, modifications, or upgrades that are necessary for safe and reliable operation of the Electric System during parallel operation of the Facility as referenced in the Interconnection Study Report.

Application – An Interconnection Request Application submitted pursuant to the provisions of the MPC DGIP Procedures.

Business Day – Monday through Friday, excluding State of Mississippi or federal holidays.

Calendar Day – Any day, including Saturday, Sunday, or a federal holiday.

Commercial Operation – Facility's generation of electricity for sale.

Contingent Facilities – Specific electric facilities that are not yet in operation, but that are proposed as part of another entity's project pursuant to an interconnection request submitted prior to Generator's Interconnection Request.

DER Technical Data – Technical data regarding the Facility that Generator submits as part of its Interconnection Request.

Distribution Circuit Study – Engineering analysis that determines whether Interconnection of the Facility will adversely impact the ability of the interconnecting distribution circuit to continue to provide safe, reliable, and adequate service to MPC's existing end-use customers.

Distribution System – Electric System facilities owned by MPC that operate at a nominal operating alternating current (AC) voltage below 40kV.

Electric System – The network of electric generation, transmission, or distribution facilities, equipment and other devices owned (in whole or in part) or controlled by MPC for purposes of generating, transmitting, receiving and distributing electric energy.

Facility – All of the electric generating equipment owned or will be owned by Generator used to directly produce electric energy installed, or to be installed at the Site and required for parallel operation with the

Electric System, including Generator's Interconnection Facilities up to the POI. This includes, if applicable, production equipment used for storage for later injection.

Generator – The entity that proposes to develop the Facility that it seeks to interconnect, or that owns the Facility for which it seeks to modify its existing interconnection, with MPC's Distribution System pursuant to these MPC DGIP Procedures.

ICF Site – The real property, acceptable to MPC, where designated MPC-owned Interconnection Upgrades are or will be located, and specifically including the Access Route.

Interconnection Agreement (IA) – The interconnection agreement governing the interconnection of the Generator to MPC's Distribution System that would be executed by MPC and Generator in connection with Generator's Interconnection Request under these MPC DGIP Procedures or previously executed and existing between the Parties.

Interconnection Costs – The costs of Interconnection Upgrades, including any associated administrative costs and taxes.

Interconnection Facilities – The physical facilities installed or modified to allow interconnected operations of the Facility with the Electric System that are additional to the physical facilities that would otherwise have been installed or modified absent Generator's Interconnection. For the avoidance of doubt, the physical facilities necessary to permit interconnected operations include facilities for the connection, switching, metering, transmission, distribution, and safe operation of the Electric System. Interconnection Facilities will be owned by MPC or, if so indicated in the Study Report and the IA, by an Affected System.

Interconnection Queue Position – The order of a valid Interconnection Request, relative to all other pending valid interconnection requests, which order is established based upon MPC's acceptable of a complete Interconnection Request Application.

Interconnection Request – Generator's request to: (i) interconnect a new Facility to MPC's Distribution System; or (ii) increase the capacity of, or to make a change to the electrical, technical, or operating characteristics of: (a) a pending interconnection request; or (b) a facility that is interconnected with MPC's Distribution System. The Application form is available at www.mississippipower.com.

Interconnection Service – MPC's service to Generator for interconnection of the Facility to MPC's Distribution System, and for MPC's receipt of electric energy from the Facility, in accordance with the IA.

Interconnection Study – Study conducted by MPC to evaluate the impact of the proposed interconnection on the safety and reliability of the Electric System and firm delivery of the Facility's output to MPC's Native Load.

Interconnection Study Agreement (Study Agreement) – Agreement between the Parties for MPC to conduct an Interconnection Study pursuant to an Interconnection Request under these MPC DGIP Procedures.

Interconnection Study Fee – The fee paid by Generator according to the terms of the Interconnection Study Agreement for performance of the Interconnection Study.

Interconnection Study Report – The Study Report issued by MPC in response to Generator's Interconnection Request.

Interconnection Upgrades – Additions, modifications, or upgrades to MPC's Electric System or an Affected System, as applicable, that are required to physically and electrically connect the Facility to MPC's Distribution System, to provide for the safe and reliable operation of the Electric System during parallel operation of the Facility, and that are required for delivery of the Facility's output to Company's Native Load and that are additional to the physical facilities that would otherwise have been installed or modified absent Generator's Interconnection Request.

MDGIR – MPSC's Mississippi Distributed Generator Interconnection Rule, as may be amended from time to time by the MPSC.

MPC – Mississippi Power Company, a Mississippi corporation, which is a subsidiary of Southern Company.

MPSC – Mississippi Public Service Commission.

Native Load – The demand imposed on MPC by the electric requirements of wholesale and retail customers located within MPC's service territory that MPC is obligated by law or contract to serve.

Party – MPC or Generator; together, the "**Parties.**"

Point of Interconnection (POI) – The point where the Facility is interconnected with MPC’s Distribution System, which is not necessarily the same as the point where the change of ownership occurs.

Power Contract – Contract between Generator and MPC for the sale and purchase of electric energy pursuant to Mississippi Power Company’s Contract for Purchased Energy (Rate CPE) or Solar for Schools (Rate SFS) rate schedules.

SCS – Southern Company Services, Inc., an affiliate of MPC that performs services as agent for MPC.

Site – Real property where Generator’s Facility is or will be located.

Site Control – The real property legal rights to develop the Site and IFC Site for purposes of constructing and operating the Facility and Interconnection Facilities, respectively.

Southern Company Policy – The Southern Company Operation of Distributed Energy Resources (DER) in Parallel with the Distribution System Policy available at www.mississippipower.com.

Study Agreement – See *Interconnection Study Agreement* above.

Term – The time period during which the relevant IA is effective, as stated in the IA.

Transmission System – Electric System facilities owned by MPC and operated at greater than 46kV.

Interpretation and Rules of Construction

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| <ul style="list-style-type: none">• Defined terms may be singular or plural, as the context requires;• “include(ing)” means “include, but are not limited to” or “including, without limitation”;• “or” means “either or both” (“A or B” means “A or B or both A and B”); and• “written” includes email communication, absent express statement otherwise. |
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III. SCOPE AND OVERVIEW

1. Scope

These MPC DGIP Procedures govern all requests for interconnection to MPC's Distribution System for any Facility estimated to have a nameplate capacity of over two (2) megawatts (MW) or for any Facility for which a Level 3 Interconnection Review is otherwise required under the MPSC's MDGIR. In the event the terms and conditions of these MPC DGIP Procedures conflict with the terms and conditions of the MPSC's MDGIR, the terms and conditions of these MPC DGIP Procedures shall control.

2. MPC Distribution Interconnection Contact Information

Initial or general inquiries regarding these MPC DGIP Procedures should be made to MPC's Planning and Reliability Supervisor as provided below. MPC's Planning and Reliability Supervisor is "the appropriate Company contact" as referenced in the Southern Company Policy.

Damion Cuevas, Planning and Reliability Supervisor ddcuevas@southernco.com 228-539-7603 2992 W. Beach Boulevard Gulfport, MS 39501

3. Southern Company Policy

MPC, along with its affiliates Alabama Power Company and Georgia Power Company, follow a common policy known as the Southern Company Operation of Distributed Energy Resources (DER) in Parallel with the Distribution System Policy ("Southern Company Policy") available at www.mississippipower.com, incorporated herein by this reference. The Southern Company Policy is complementary to, and is to be applied in conjunction with, these MPC DGIP Procedures. To the extent there is any discrepancy between these MPC DGIP Procedures and the Southern Company Policy, these MPC DGIP Procedures control.

IV. INTERCONNECTION PRE-APPLICATION REQUEST (OPTIONAL)

1. Pre-Application Request

All Generators are encouraged to submit a Pre-Application Request to obtain readily available information about MPC's Electric System that will assist Generator in determining the optimal size and location of the Facility. A Generator may submit a Pre-Application Request to MPC as described in the Southern Company Policy, Section 8.1 (*Pre-Application Request*), using the form available at www.mississippipower.com. Along with the Pre-Application Request, Generator must submit a non-refundable fee of \$1,200.00.

Within fifteen (15) Business Days, MPC will respond to the Pre-Application Request with data of the type described in the Southern Company Policy, Section 8.1.1 (*Pre-Application Report*). Because of the dynamic nature of MPC's Electric System, the information provided is subject to change at any time.

Pre-Application requests may be submitted before or simultaneously with an Interconnection Request Application. If submitted simultaneously, both application fees (unless waived by MPC in its discretion) shall accompany the joint requests. Submittal of a Pre-Application request alone, whether accepted and responded to by MPC or not, does not entitle Generator to an Interconnection Queue Position. Interconnection Queue Positions are established exclusively pursuant to Section V.3 below.

V. INTERCONNECTION REQUEST APPLICATION (REQUIRED)

1. Interconnection Request Application

A. Application

Generator may initiate an Interconnection Request under these MPC DGIP Procedures by completing and submitting an Interconnection Request Application in the form available at www.mississippipower.com.

B. DER Technical Data

As part of the Application, Generator also must complete and submit the data requested in the DER Technical Data Form available at www.mississippipower.com. Generators are encouraged to review the Application and DER Technical Data Forms in advance to facilitate completion and submittal. Further details of the Application process may be found in the Southern Company Policy, Section 8.2 (Application).

C. Application Fee

Along with the Application, Generator must submit a non-refundable Application fee as shown below. The application fee is waived for Generators that previously submitted a Level 2 Distributed Generator Interconnection Application for the same Facility. Section V.2 (Payment Procedures) below provides information about payment.

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| <ul style="list-style-type: none">▪ For a Facility \leq 1 MW - \$2,000.00▪ For a Facility $>$ 1 MW - \$6,000.00 |
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D. Site Control and ICF Site Control

Because the interconnection process involves engineering and analysis regarding the specific location where the Facility is or will be located, Generator must provide evidence of Site Control as stated in the Application. Generator must represent and warrant to Company that Generator has, or will obtain prior to the time required, necessary real property rights from all fee owners of the Site and ICF Site, including the access road, as well as any other person or entity with rights to the Site and ICF Site whose consent is necessary, to permit Company to perform its obligations. MPC and MPC's representatives, agents, and contractors, shall be granted a nonexclusive right of access and license to the Site, ICF Site, and the Facility.

Additionally, MPC's IA provides an overview of the site control requirements that would be Generator's responsibility. Upon request from the Generator, MPC will provide a template of MPC's IA. Generator is encouraged to review the site control requirements as early as possible in the project planning process to ensure compliance with the requirements.

E. Diagrams and Plans

The Application also must include the following supporting documents, depicting only Facility equipment and the proposed POI:

- Site Layout Plan
- One-Line Electrical Diagram
- Relay and Metering One-Line (showing all interconnection protection functions per Southern Company Policy, Attachment A (*Technical Requirements for Distribution Interconnection*))

These drawings must be stamped by a registered Professional Engineer.

2. Payment Procedures

This Section outlines the process for making payment under these MPC DGIP Procedures, including paying the Pre-Application fee and deposits for the Application fee or the Interconnection Study fee.

A. Payment Method

Payment will be by wire transfer. Payment instructions can be found in the MPC DER Deposit Form available at www.mississippipower.com.

B. W-9

The Generator entity that pays the fee must provide its Form W-9 for internal MPC accounting purposes. If the entity making the payment is not the same entity as the entity submitting the Application, the relationship between the two entities must be disclosed.

C. Refund/True-Up

Upon conclusion of the Interconnection Study and in accordance with the Interconnection Study Agreement, MPC will reconcile actual Interconnection Study costs with the Interconnection Study Fee deposit previously paid. If the amount paid by or on behalf of Generator exceeds the actual costs, MPC will refund any excess to the entity whose W-9 was previously provided; if actual costs exceed the amount previously paid, MPC will invoice Generator for the difference.

3. Application Completion and Queueing

MPC will acknowledge receipt of the Application via email and will review the Application to determine if additional information is needed. If deemed incomplete, MPC will provide a list of deficiencies to the Generator. Generator must, within ten (10) Business Days, cure all identified deficiencies or request an extension to complete its Application package. Failure to timely cure may result in cancellation of the Application and forfeiture of the Application fee. Once the application package is deemed complete, the Company will assign an Interconnection Queue Position.

4. Application Review and Processing

Upon receipt of a complete Application package, MPC will review for compliance with the design requirements identified in Southern Company Policy, Attachment A (Technical Requirements for Distribution Interconnection). MPC may request a meeting (in person or virtual) with Generator's design engineer to review the one-lines or other required technical documents.

MPC's Application review will determine the different components of the Interconnection Study that would be required. MPC's Application review also will include identification of any potential Affected System(s), and the contact information for any Affected System Utility will be shared with Generator.

5. Site Visit

Before proceeding to the study process, MPC will request a site visit as described in the Southern Company Policy, Section 8.2.4 (DER Site Visit). The site visit's primary purpose is to reach agreement on location of the POI, Facility tie-line, ICF Site, and Access Route. Because the Interconnection Study process will be based on the data submitted and the agreed POI, Generator should not change the POI or Facility size after the site visit; any such change request after the site visit may require submission of a new Application and payment of another Application fee. Site visit will be scheduled on a mutually agreed upon date, but no later than fifteen (15) Business Days from when the Application has been deemed complete. MPC may waive the site visit requirement for Generators that previously submitted a Level 2 Distributed Generator Interconnection Application for the same Facility.

VI. INTERCONNECTION STUDY PROCESS

1. Scoping Meeting and Coordination

A scoping meeting will be held as provided in the Southern Company Policy, Section 8.3.1 (DER Impact Study & Cost). If any Affected System has been identified, Generator must promptly contact each identified Affected System Utility to determine the need for any Affected System Utility study.

As part of the scoping meeting, MPC and Generator will review the scope of the Interconnection Study. The scoping meeting will be held on a mutually agreed upon date, but no later than ten (10) Business Days after the site visit. MPC

may waive the scoping meeting requirement for Generators that previously submitted a Level 2 Distributed Generator Interconnection Application for the same Facility.

2. Interconnection Study Components

The Interconnection Study must assess the impact of the proposed interconnection on the safety and reliability of the Electric System and delivery of the Facility output to MPC's Native Load. Accordingly, the study components will depend on the Facility size and exact location within the Electric System. All distribution interconnections will require a Distribution Circuit Study. Depending on Facility size and location, a Transmission Impact Assessment may also be required. If a Transmission Impact Assessment is necessary, Generator may be required to provide additional technical data before the study can be performed.

3. Interconnection Study Agreement

No later than five (5) Business Days following the scoping meeting, MPC will provide to Generator an Interconnection Study Agreement. The Study Agreement will provide Generator with specific instructions for coordinating with any potential Affected System Utility. Unless Generator executes and returns the Study Agreement to MPC within thirty (30) Calendar Days, the Interconnection Request will be deemed withdrawn and the Facility's Interconnection Queue Position will be terminated. Upon MPC's receipt of the signed Study Agreement and payment of the Interconnection Study Fee deposit from Generator as further described below, MPC will sign and return a fully executed Study Agreement to Generator. Upon execution of the Study Agreement, Generator may not modify the Interconnection Request without prior written approval from MPC in its sole discretion.

A. Interconnection Study Fee Deposits

Prior to execution of the Interconnection Study Agreement, Generator must pay an Interconnection Study Fee deposit of \$30,000.00. If required, Generator must pay a Transmission Impact Assessment Fee deposit of \$75,000.00. These deposits will apply to MPC's study costs. For clarity, any study fee charged by an Affected System Utility will be Generator's responsibility. MPC reserves the right to waive or reduce the Interconnection Study Fee deposit and/or Transmission Impact Assessment Fee deposit for Generators that previously submitted a Level 2 Distributed Generator Interconnection Application for the same Facility.

B. Performance of Study

After execution of the Interconnection Study Agreement, payment of the Interconnection Study Fee deposit, and, if applicable, submission of any additionally requested technical data, MPC will confirm start of the Interconnection Study and the expected completion date. The Interconnection Study will proceed as described in the Southern Company Policy, Section 8.3 (Studies).

C. Study Results

MPC will use reasonable efforts to complete the Interconnection Study within ninety (90) Calendar Days. If MPC is unable to complete the Interconnection Study within that time frame, it will notify Generator and provide an estimated completion date, along with an explanation of the need for additional time. Following issuance of the Study Report, upon Generator's request, the Parties will meet to review the Study Report results.

4. Identification of Interconnection Upgrades.

For purposes of any Interconnection Study performed under these MPC DGIP Procedures, Interconnection Upgrades will be delineated in the Interconnection Study Report as either Interconnection Upgrades, and if available, Affected System Utility upgrades. As part of these delineations MPC will identify potential Affected Systems. The Interconnection Study Report will also identify any Contingent Facilities. All Interconnection Upgrades and Affected System Utility upgrades, if any, identified in the final Interconnection Study must be completed before the Facility can be declared ready for commercial operation under the IA.

VII. INTERCONNECTION AGREEMENT

1. Execution of the IA

Within thirty (30) Calendar Days after the Interconnection Study is complete and the Parties have reviewed the Interconnection Study Report, MPC will tender to Generator a draft IA consistent with the results of the Interconnection Study Report. After receipt of the draft, Generator will have thirty (30) Calendar Days to execute and return. Upon execution of the IA by both Parties, the interconnection of the Generator will proceed under the IA terms and conditions. Notice to Proceed on the Interconnection Upgrades identified in the Interconnection Study coincides with execution of the Interconnection Agreement by both Parties. A Generator may have only one executed IA for the same Facility.

2. Payment for Interconnection Upgrades.

Each IA will address the financial and payment terms applicable to Generator.

VIII. CONSTRUCTION OF INTERCONNECTION UPGRADES

1. Completion of Interconnection Facilities on MPC's Electric System.

Upon execution of the IA, receipt of all payment/security obligations in accordance with the IA, and Generator is otherwise in compliance with the IA, MPC will proceed with the necessary engineering, procurement, construction, and testing of all Interconnection Upgrades that will be owned by MPC.

2. Completion of Affected System Utility Upgrades.

If any potential Affected System Utility is identified, MPC will provide contact information to enable Generator to engage directly with the Affected System Utility to determine the need for an Affected System Utility study; Generator will be responsible for paying the Affected System Utility for any study deemed necessary by that utility. The Affected System Utility will identify any Affected System Utility upgrades necessary for safe and reliable interconnection and operation of its Electric System during parallel operation of the Facility.

It is Generator's responsibility to ensure that any potential Affected System Utility has sufficient time to evaluate impacts to its electric system and provide results to Generator prior to IA execution. MPC will not extend the time required for IA execution due to delay with an Affected System Utility's evaluation unless MPC determines that the delay is due to unforeseen short-term issues (e.g., despite Generator's diligence in contacting the Affected System-Interconnection Entity, that entity has not been able to complete its study). Generator must inform MPC immediately, and keep MPC updated, if there is any expectation or indication of delay by the Affected System Utility in completing its obligations.

Any upgrade identified for an Affected System Utility must be facilitated under a separate agreement between Generator and the Affected System Utility, which agreement will address the scope of the Affected System Utility upgrades, costs to be paid by Generator, and anticipated schedule for the upgrades. Any question regarding scope, cost, or schedule for the Affected System Utility upgrades must be resolved between Generator and the Affected System Utility.

Generator and the Affected System Utility will be responsible for managing all engineering, procurement, construction, and testing necessary for completion of all Affected System Utility upgrades work. Before the Facility can be allowed to synchronize, any Affected System Utility must provide written verification to MPC that all necessary project work and appropriate mitigation has been completed.

IX. MODIFICATION OR INTERCONNECTION OF AN EXISTING FACILITY

1. Procedure for Existing Facility

A. Procedure with Existing MPC IA.

If Generator has an existing MPC IA and wishes to modify its existing Facility, Generator must follow the IA terms and conditions regarding a proposed modification of the Facility.

B. Procedure with No Existing IA.

If Generator wishes to obtain a IA and is pursuing an energy only Power Contract with MPC for an existing Facility that does not currently have an IA allowing export to MPC's Distribution System (e.g., Generator either: (i) has no IA at all; or (ii) has an IA that only allows parallel operation with the Electric System, with no right to export to the MPC Distribution System), Generator must submit a new Interconnection Request Application in accordance with these MPC DGIP Procedures.