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## Big Changes in How New Power Projects Connect to the Grid

This June 2018 article discusses a FERC order regarding how power plants over 20 megawatts can connect in the future to the utility grid. The article clarifies what "start construction" actually means. One is by starting "physical work of a significant nature" at the project site or on equipment for the project at a factory. The other is by "incurring" at least 5% of the total project cost. With one exception, it is not enough merely to spend money. Costs are not considered incurred until equipment or services are delivered. The exception is a payment counts if the equipment or services are delivered within 3 1/2 months after payment.

The developer must also be able to prove continuous work on the project after the year in which construction starts, but not if the project is completed within four years.

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