

Interconnection Workshop 4 – Final workshop

Summary of anticipated Staff rules in light of previous workshops:

- general straw man format will remain

AREAS OF GENERAL AGREEMENT and proposed amendments to straw man

- 1) Application fees:
 - tier 1 - \$50
 - tier 2 - \$50 plus \$1 per kW of rated generation output – max \$500
 - tier 3 - \$100 plus \$2 per kw of rated generation output – Max \$1,000
 - tier 4 - \$100 plus \$2 per kw of rated generation output – Max \$1,000
- 2) Insurance
 - tier 1 – proof of adequate homeowners, general liability or commercial liability sufficient to insure against all reasonably foreseeable direct liabilities given the size of the DG, nature, etc....
 - tier 2 – minimum \$500,000
 - tier 3 and 4 – minimum \$1,000,000
 - Option for utility to seek elevated insurance requirements based on the particular situation. Commission approval required---unless party agreement.
 - Self-insurance language (Otter Tail and Xcel language)
 - Policy Endorsement language - ???????
- 3) Timelines built into the rule
 - Add language for flexibility – allow the parties to agree on longer time, require utility to act reasonable in its request for more time, and require time extensions not be unreasonably withheld by the consumer.
 - Generally, extend all shortened 5 day restrictions to the 10 days originally in the rule.
 - Modify the notice timeframes to business days, rather than calendar days.
 - Upon receipt of application and as soon as practicable – return some sort of positive response to consumer to advise of receipt date and the “running” of time frames. (does this help avoid phone calls...thus alleviate some administrative burden...or does this create an additional administrative task?) Staff is leaning toward including this in the rule---any last thoughts?
 - Add a “contract return” time for consumer. – 20 days....30 days? If the signed contract is not returned within _____ days, it may be considered rejected.
- 4) Tier 3 feasibility study - ?????????? consumer pay if necessary, utility pay if not.

- 5) Tier 4 studies and times.....see Black Hills Power - do something similar.
- 6) Deposits
 - 50% deposit for all estimated study costs
 - 50% deposit for all estimated facility costs
- 7) Reporting Requirements – no filing to the commission. Shall be kept and compiled by the utility. Information may be requested, not unreasonably withheld.
- 8) Tier levels
 - End Tier 4 at 10 mw
 - Have a catchall over 10 mw category (so nothing falls between cracks)
These rules shall provide a basis for such projects....etc....
- 9) Technical standards – more specific as discussed (IEE 1547 – see Xcel language)
- 10) Jurisdiction – use Otter Tail suggestion
- 11) Tier 2 - 15% - add 1547 language to account for utility needs including highly seasonal circuit problem.

EXAMPLE:

For interconnection of a proposed Small Generator Facility to a radial distribution circuit, the aggregated generation, which includes the proposed Small Generator Facility and FERC wholesale generators and FERC wholesale generators with a higher Queue Position, on the circuit must not exceed 15% of the Line Section annual peak load as most recently measured at the substation or calculated for the Line Section ***and all Technical Standard precautions.***

- 12) 5.9.3.1 – completely delete

STAFF PROPOSED COMPROMISE WHERE AGREEMENT WAS NOT REACHED:

- Tier 1 top at 10 kw....IF, agree to NO isolation device for tier 1
 - Tier 1 = 10 kw
 - Tier 2 = 2 mw
 - Tier 3 = 10 mw
 - Tier 4 = 20 mw
- Disconnect issues: balancing act---utility need/safety issues/consumers rights to notice, etc...

Types of Disconnect:

- Emergency – immediate disconnect is appropriate. Notice to Interconnection Customer as soon as practicable
- Routine maintenance of construction and repair – Notice seems appropriate.....5 days reasonable to the address last on file. Not

the utilities responsibility to keep records. Rather, the consumer's responsibility to inform the utility of his or her contact information.

- Adverse Affect on Other Customers – immediate action appropriate when the utility deems it necessary. Prior notice if practicable. Give the Interconnection Customer a chance to fix it if practicable.

UNDECIDED:

- Tier 1 – exceeding service transformer nameplate rating or conductor rating language suggestion...and whether it is redundant (10.3.3 and 10.3.5)
- Tier 2 – 11.3.6.2 and 11.3.7.2
- Commissioning notice – increase notice time – 20 days

AREA OF DISAGREEMENT

- Consultants/cost studies
 - some small companies may need to utilize outside help.
 - need to balance this potential cost and need with consumer protection
 - facilitate a user friendly interconnection process.
 - need for outside assistance balanced against those times when it can be done in house and the company may collect \$100 per hour (more than what employees are actually paid)
- See Staff Analysis – plan is to leave \$100 in proposed rule.

FORMS

Black Hills Power – deleted forms

MDU – made changes to forms are consistent with the rule modifications

MidAmerican – made forms consistent with rule changes

Forms:

- 1) Small Generator Facility Tier 1 Interconnection Request Application Form
- 2) Application for Small Generator Facility Interconnection Tier 2, 3, or 4
- 3) Small Generator Facility Interconnection Certificate of Completion Form
- 4) Interconnection Facilities Study Form Agreement/data to be provided by applicant with the interconnection facilities study agreement
- 5) Interconnection Feasibility Study Form Agreement
- 6) Interconnection Equipment Specifications, Initial Settings and Operating Requirements
- 7) Tier 1, 2, 3, or 4 Interconnection – reflects what is already in the rule

Questions:

- Do you want contract form mandated?
- What are the benefits/disadvantages of mandated contract form?
- Is it adequate to simply provide the forms and recommend they be used – but not require they be used?
- What are the advantages/disadvantages?