



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

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VIA: Electronic Mail

David Danner
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Comments of Avista Utilities - Docket No. UE-112133

Dear Mr. Danner,

On December 21, 2011, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider revising the standards for interconnecting electric generators in the service territories of electric investor-owned utilities in Washington Administrative Code (WAC) 480-108. The Commission filed the CR-101 in the above referenced Docket.

In the spring of 2011, the Washington House Technology, Energy, and Communications Committee requested that the Commission conduct an interim study on the potential for distributed generation in the territories of investor-owned electric utilities. In Docket UE-110667, the Commission developed a set of policy recommendations based upon that study, including a recommendation that the Commission initiate a rulemaking to consider changes to the rules for interconnecting with utility electric systems (WAC 480-108).

In 2006, the Commission adopted two sets of rules (WSR 06-07-017, codified in WAC 480-108) addressing electrical standards to ensure safety and reliability, and responsibility for the costs of interconnection. During the Commission’s interim study in the summer of 2011, many commenter’s suggested that technological advances made some of the current requirements redundant, such as the requirements for an external disconnect switch and additional insurance. In addition, modifications to the system capacity sizes reflected in the two sets of rules may enable streamlined or simplified interconnection requirements for larger systems. The Commission intends to focus this rulemaking specifically on requirements in the existing rules that may no longer be necessary due to technological changes, impose a significant burden on interconnection, and that, if modified, would reduce the costs for interconnection and accelerate the development of distributed generation systems, without unduly shifting costs between ratepayers or classes.

The Company appreciates the opportunity to provide comments on the “Review Standards for Interconnection with Electric Generators in WAC 480-108.” The Company’s response to the Notice is provided below:

The interconnection standards, process and agreements currently provided in WAC-480-108 only apply to Net Metering and non-PURPA projects from 0 kW to 20 MW. The majority of sizable generation projects¹ that are interconnected with or have interest in interconnecting with Avista’s electric system are PURPA projects, and thus not covered by WAC-480-108.

Regarding changes in technology, Avista has found that the requirements and process provided for in WAC-480-108 as it applies to the interconnection of net-metering generation includes the appropriate level of approval from the interconnection utility. The Avista Net-Metering agreement, for generation up to 100 kW, is fairly streamlined and would not benefit from additional changes or provisions for special technology. For generation between 300 kW and 20 MW, Avista has used the FERC Small Generator Interconnection Process (SGIP) as a template for its filing. This process includes a fast-track process for approved inverter

¹ Projects greater than 100 kW in size have a greater potential to impact feeder reliability and are considered sizable.

technologies which is general enough to include current advances. Projects of this size have the potential to impact the electric system that they are connected with, requiring utility review prior to interconnection. Additional process fast-tracking has the potential to impact system reliability for other surrounding retail customers.

The existing interconnection rules under WAC 480-108 require an external disconnect switch. The lockable visual open blade type disconnect switch that Avista requires is in compliance with the National Electric Safety Code Section 444.C where utility personnel establish a clearance zone opening and tagging all switches and disconnectors surrounding an area to be de-energized for safe work practices. If the disconnect switches are not required, the utility personnel would turn off the entire generation customer's electrical service, and possibly all other customers on the same disconnect switch feeding a certain transformer, establishing a much bigger electrical outage than otherwise needed had the Company used a simple disconnect switch to render the customer generator inoperable during electrical line repairs by Avista.

The Company has been aware of instances where customer generator inverters may be reprogrammed at the customer site or have been programmed incorrectly at the manufacturer to disable the anti-islanding protection requirement, which is part of the UL-1471 requirement, and generate back to the utility during power outages. The Company strongly recommends the use of a disconnect switch to eliminate any possibility of generation backfeed.

If the cap of 100 kW in generation size for net-metering is increased, it should be mandatory that the generation site never be larger than the customer electrical load at any given time. This would ensure that the utility's electrical system would not be compromised in its protection, power quality or power supply.

Again, Avista thanks the Commission for the opportunity to comment, Avista supports the Commission's desire to make the interconnection process safe, reliable and not overly burdensome for the Company and Avista customers.

If you have any questions regarding these comments, please contact Kenny Dillon at 509-495-4436 or myself at 509-495-4975.

Sincerely,

/s/Linda Gervais

Linda Gervais
Manager, Regulatory Policy
Avista Utilities
509-495-4975
linda.gervais@avistacorp.com