**Interconnection Rulemaking**

**Docket UE-112133**

**Comment Summary – December 21, 2012**

| **WAC**  **480-108 / Topic** | **Commenter** | **Comment** |
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| **Major Issues** | | |
| 010  Third Party Ownership of Net Metered Systems | PacifiCorp | Third-party ownership may not be legal under Washington law. State law may require the UTC to regulate a third-party owner of a renewable energy system as an electrical company. PacifiCorp foresees significant problems if utilities are required to enter into contractual arrangements with third-party owners; the net-metering relationship should remain between the utility and the customer. |
| Renewable Northwest Project and Northwest SEED | Clarifying that the third-party ownership of net metering is permissible is the most important change that can be made in this rulemaking. A key barrier to further deployment of third-party financing models is the absence of a clear statement that third-party ownership is allowed in Washington, and that third-party owners are not subject to Commission jurisdiction as an “electric company.” |
| Dave Warren and Richard Damino | The concept is not ripe for addition at this time and this change should not be made in this rulemaking. |
| Avista | “It is also not fully understood whether the Commission can allow for a third party ownership of a generations [sic] facility by simply changing the definition” of interconnection customer in these rules. Avista argues that a third party is not the user of a net metering system. Avista is concerned that it is unclear what compliance responsibilities may be assigned to another party under the draft rules. Avista argues that the definition of “Generating facility” which states “a source of electricity owned by the Interconnection Customer” is not consistent with the new definition of Interconnection Customer, which now allows third party ownership. |
| Snohomish PUD | Snohomish PUD is concerned about adverse ratepayer impacts due to the interconnection of more net metering systems. |
| Cascade Power Group, IREC, SolarCity | Supports the changes proposed in the draft rules. Amend the definition of “Interconnection customer” to allow for third-party ownership of net-metered systems. Use IREC’s recommended language. IREC suggests minor modifications to the proposed language. |
| Puget Sound Energy | Add “if allowed by Washington state law” to the provision allowing third-party ownership. |
| BBB  Disconnect Switch | PacifiCorp, Snohomish PUD | Utilities suggest that a disconnect switch should be required unless agreed to by the utility. |
| Undisclosed Commenter | The revised rule is a step backwards. The lockable AC Disconnect Switch is now required where in the past it could be waived. The 15% limits, annual testing, and other restrictions are arbitrary and capricious. The rules should just state that if an installation passes electrical code inspection it automatically meets all utility standards, especially for Tier 1 installations. |
| FFF  Insurance | Avista | Insurance requirements should be addressed outside of this rulemaking. |
| Dept. of Commerce | Dept. of Commerce and the Commission should host a meeting with utility risk managers, current utility insurers, distributed generation companies, and the Surplus Line Association of Washington to discuss how to improve access to affordable insurance for distributed generation projects. |
| IREC | IREC proposes that the Commission modify FFF (proposed language underlined): “(12) No additional insurance is necessary for a generating facility under 100 kW or for any facility that is a net metering facility and exempt from an insurance requirement pursuant to Chapter 80.60 RCW. |
| Puget Sound Energy | Reinstate insurance requirement for generating facilities at or below 100 kW. The elimination of insurance could result in unknown costs, possibility exceeding millions of dollars, to ratepayers due to accidents involving death or disability from such generating facilities. |
| Voltage Regulation | IREC | IREC recognizes a need for voltage control to allow interconnection facilities the ability to export power to the electric system in cases of where the electric system is run at a high voltage. IREC recommends that electric companies maintain voltage levels at or below 122 volts, a level similar to that set by conservation voltage programs, which would assure generating facilities the ability to export power onto the electric system almost all the time. |
| **Other Issues** | | |
| General | Robert Monsen | Comment favoring expediting and simplifying the interconnection process for solar power to connect to the Grid. |
| General | Dept. of Commerce | Urges the Commission to adopt a three-year update cycle for interconnection rules. Proposes the Commission work with the Northwest Power Planning Council to develop a consistent tracking system for generation resources. |
| General | Evergreen State Solar Partnership | The partnership supports standard interconnection application forms, the ability to submit applications online, and a single point of contact on the web for all questions relating to interconnection. |

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| 010  Nameplate Capacity | PacifiCorp | For non-inverter-based systems, the nameplate AC output rating should be used. For inverter-bases systems, the DC nameplate value should be used. |
| IREC | IREC proposes the following definition: “Nameplate rating” means the manufacturers output rating of the generating facility. For a system that uses an inverter to change DC energy supplied to an AC quantity, the nameplate rating will be the manufacturer’s AC output rating for that inverter. |
| Snohomish PUD | A definition of “nameplate rating” is required. In WAC 480-108-EEE(2)(c), replace “certify” with “verify the performance of,” and define WECC as “Western Electricity Coordinating Council”. |
| Puget Sound Energy and Avista | Nameplate capacity definition needs clarification to be the largest rating of the inverter, storage system, or energy conservation apparatus. Avista is concerned that the proposed definition requires a consistent means to convert a DC rating to an AC demand |
| 015 | PacifiCorp | PacifiCorp proposes modifications in language of the rule to prohibit all “islanding.” |
| AAA  Fees | Avista | Avista recommends new application fee structure of: $100 for systems under 100 kW, $500 for system 101 – 500 kW, and $1,000 for systems 501 kW – 20 MW. |
| PacifiCorp | PacifiCorp recommends adopting Utah’s approach to Tier 3 fees: an initial fee of $500 plus two dollars per kW of proposed nameplate capacity. |
| AAA  Timeline | Avista and PacifiCorp | The timeline should start when the application and fees/deposits are received. |
| BBB  Tier 1 size limit | Puget Sound Energy, Avista, PacifiCorp, IREC, Dept. of Commerce, Evergreen State Solar Partnership | Size limit should be 25 kW. |
| BBB | Cascade Power Group | If a synchronous generating facility has an inverter, the generating facility should not automatically fall under Tier 2 procedures. Any generating facility that is under 500 kW and connected to an inverter should fall under Tier 1 procedures. |
| BBB  Tier 3 | Snohomish PUD | Consider reinstating the process and technical requirements for Tier 3 found in the model rule. |
| BBB  Spot Networks | Avista | Avista recommends deleting:  “The aggregate nameplate capacity of all inverter based systems must not exceed the smallest of five percent of a spot network’s maximum load or 50 kW,”  and replacing it with:  “must not exceed the minimum load on any phase at any given time.” |
| Northwest Clean Energy Application Center | The draft rules improve the ability to interconnect within spot network distribution systems. |
| Cascade Power Group | Cascade opposes the requirement that interconnections on spot network “not to exceed the smaller of 5 percent . . . or 50 kW” |
| CCC  Timeline | Avista, PacifiCorp, Puget Sound Energy | Adopt consistent timelines and list them in one location throughout the rule. |
| Cascade Power Group, Northwest Clean Energy Application Center, IREC | Provide firm timelines for Tier 3 application procedures. |
| 035 | Snohomish PUD | A utility should retain full responsibility for evaluating the feasibility and potential impacts of interconnections. |
| FFF(9) | PacifiCorp | Suggests the rule reference IEEE Standard 1547 Table 1 and Table 2 rather than explain similar technical standards in the rule. |