



January 30, 2012

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

**RE: Docket Number UE-112133
Review Standards for Interconnection with Electric Generators in WAC-480-108**

Dear Washington Utilities and Transportation Commission:

The Distributed Wind Energy Association (DWEA) is a year-old trade association working in conjunction with the American Wind Energy Association to develop and promote industry best practices, policies, and standards. Our aim is to foster safe installation and efficient operation of small and community-scale wind energy generation.

This letter is in response to the Washington Utilities and Transportation Commission's Notice of Opportunity to File Written Comments on the proposal to review the rules for interconnection with electric generators. DWEA appreciates the UTC's recognition that technological advances have made several of the interconnection requirements in WAC-480-108 redundant. We praise the Commission for seeking out such impediments to distributed generation development in the state.

DWEA recommends the following for your consideration:

1. Insurance
2. Redundant Interconnect Switch
3. Islanding and Direct Transfer Trip
4. Procedure

1. Insurance

DWEA agrees with existing regulation, WAC-480-108-040, Part 9, which establishes no additional insurance is required for interconnectors under net metering. However, insurance requirements for interconnectors for non-net metering projects are cost prohibitive. The current regulation, WAC-480-108-090, Part 1(d), requires interconnecting customers to pay all costs, including insurance, engineering studies, upgrades and metering, made necessary by the interconnection. Utilities are leveraging this insurance requirement to force interconnectors to hold both liability insurance and commercial property insurance, which includes covering the utility's property *and* the interconnector's.



Today's small generation systems are engineered to insulate the utility and interconnector from any damages. However, the only insurance premiums available for small interconnectors are designed for large installations and can exceed the retail value of the electricity produced. The end result is a cost prohibitive insurance requirement that impedes development of distributed generation.

DWEA suggests that generating facilities less than 1 MW should not have additional insurance requirements. There is minimal potential for inverter-based systems with UL 1741 certified inverter or non-inverter-based systems using IEEE 1547 certified relays to damage a utility's property.

Washington utilities are already protected from larger systems by Washington's existing interconnection standards, which are based on FERC interconnection standards. Compliance with IEEE Standard 1547 and/or UL 1741 under WAC-480-108-999 is sufficient to ensure the electrical safety to utility personnel, property, and others. DWEA suggests any insurance requirement be separated into categories: (a) systems sized over 1 MW to 5 MW, we suggest \$1,000,000 in insurance coverage: (b) for systems over 5 MW but less than 20 MW, we suggest \$2,000,000 in insurance coverage. These figures match The Interstate Renewable Energy Council's Model Interconnection Procedures.

2. Redundant Disconnect Devices

DWEA disagrees with the redundant external disconnect device requirement in WAC-480-108-020, Part 2 for generation systems 300 kW or less in size. Historically, utilities have been concerned about the potential for non-inverter-based systems to harm the electric grid. However, small generation systems are required to have inverters certified to UL 1741 or relays certified to IEEE 1547 which to detect whether the grid is off, in which case the system switches and remains off while utility service is restored. Lock out/tag out procedures are already redundantly available through meter removal and in many cases a primary disconnect switch without requiring a redundant disconnect switch.

3. Direct Transfer Trip

Direct Transfer Trip (DTT) is not necessary for islanding protection for small distributed energy installations where certified inverters or protection relays are used. This is an unnecessary cost based on old technology that keeps DG out of the market. The Interstate Renewable Energy Council, IEEE 1547, and several utilities commissions from states around the county specify such relays and inverters as acceptable protection.



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5. Procedure

DWEA suggests the Washington Utilities and Transportation Commission review the latest Model Interconnection Procedures published by the Interstate Renewable Energy Council (IREC) in 2009. The model is thorough, follows industry best practices, and provides an excellent regulatory platform from which state regulatory bodies can build. Additionally, the Model Interconnection Procedures provide a streamlined process for fast tracking DG projects by using common sense checklists. The checklists ensure safe system design and engage utilities to move DG projects forward step by step.

DWEA appreciates the efforts of the Washington Utilities and Transportation Commission for striving to eliminate regulatory redundancies as a means to increase distributed generation. We look forward to contributing further to net metering and distributed generation policy developments.

Thank you for your consideration and please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'J Jenkins', is positioned below the word 'Sincerely,'.

Jennifer Jenkins
Executive Director