

[Service Date November 1, 2006]

November 1, 2006

NOTICE OF WORKSHOP
(To be held Friday, December 15, 2006, 9:30 a.m.)

RE: *Standards for Interconnection to Electric Utility Delivery Systems*
Docket UE-060649

TO ALL INTERESTED PERSONS:

On June 7, 2006, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to examine whether new regulations are needed to govern five aspects of investor-owned electric utility operations for which new federal standards are included in the Energy Policy Act of 2005. Among these standards is Public Utility Regulatory Policies Act (PURPA) Standard 15 addressing interconnection of customer-owned generation facilities to investor-owned electric utility delivery systems. The Commission's notice included four questions concerning generation interconnection and WAC 480-108, which currently governs such interconnections for facilities no larger than 25 kW.

The CR-101 is available for inspection on the Commission's web site at www.wutc.wa.gov/060649. If you are unable to access the Commission's web page and would like a copy of the CR-101 mailed to you, please contact the Records Center at (360) 664-1234.

On August 11, 2006, a number of interested persons filed comments in response to the Commission's inquiry. Among those comments was a proposal made jointly by Puget Sound Energy, Avista Corporation and a group of non-jurisdictional public utilities and cooperatives (collectively "load-serving utilities") regarding uniform technical and procedural standards for interconnections of facilities up to 300 kW of capacity. The load-serving utilities propose a set of principles to guide development of utility-specific distribution-level interconnection services for generation facilities

in excess of 300 kW in generating capacity. The Commission finds it appropriate to convene a workshop to further address the comments and proposal by the load-serving utilities and the other comments received. These comments are a useful starting point for discussion of possible amendment to the Commission's regulations that govern the interconnection of customer-owned generation facilities to electric utility delivery systems.

WORKSHOP. The Commission will convene a workshop on Friday, **December 15, 2006, beginning at 9:30 a.m., in Room 206, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.** If you cannot attend the workshop, you can arrange to dial into the Commission's conference bridge at (360) 664-3846. You may reserve a line by calling Ms. Kippi Walker at (360) 664-1139. All comments received to date and other relevant documents will be posted to the Commission's web site at www.wutc.wa.gov/060649. An agenda for the workshop will be posted to the Commission's web site prior to the workshop. If you are unable to access the Commission's web page and would like a copy of the agenda, when it becomes available, please contact the records center at (360) 664-1234.

The Commission welcomes participation in the workshop by all interested persons, including potential interconnection applicants, the investor-owned utilities regulated by the Commission, and the non-jurisdictional public utilities and cooperatives. The Commission wishes to take into account the perspectives and ideas of the broadest possible range of industry participants when developing standards for interconnection. The workshop will be divided into three parts: presentation of the joint proposal made by the load-serving utilities; response to the load-serving utilities' proposal and presentation of other proposals; and discussion of specific topics as listed below. The load-serving utilities' joint proposal is available at the Commission's web site noted above.

In particular, workshop participants should be prepared to address the following topics:

- 1) What criteria should be used to distinguish customers eligible to apply for interconnection to a utility's distribution system from customers eligible to apply for interconnection to the utility's transmission system under FERC rules?
- 2) Should standards governing distribution-level interconnections be limited in application to net-metered facilities and if so, why?

- 3) Should standards governing distribution-level interconnections apply to interconnection of qualifying facilities (QF) under the Public Utility Regulatory Policies Act and if not, why not?
- 4) Do the engineering requirements and limitations relevant to distribution-level interconnections up to 300 kW vary among utility distribution systems? If so, what characteristics of the distribution system cause the engineering requirements and limitations to vary? How might this be addressed via rule?
- 5) Do the engineering requirements and limitations relevant to distribution-level interconnections up to 2 MW vary among utility distribution systems? If so, what characteristics of the distribution system cause the engineering requirements and limitations to vary? How might this be addressed via rule?
- 6) Should the requirement of an external disconnect switch contained in WAC 480-108 be retained?
- 7) Should utilities be allowed the option to require an interconnecting customer to bear the cost of a dedicated distribution transformer if one is deemed necessary by the utility?
- 8) Given the Commission's general authority to address disputes (WAC 480-107) what, if any, additional dispute resolution processes are needed to apply specifically to generator interconnection?

The Commission welcomes additional comments in this inquiry. Comments may be submitted in writing either before or at the workshop.

If you have any questions regarding the workshop, please contact Dick Byers at dbyers@wutc.wa.gov or by calling (360) 664-1209.

Sincerely,

CAROLE J. WASHBURN
Executive Secretary