



Northwest CHP Application Center

Combined Heat and Power for the states of
Alaska, Idaho, Montana, Oregon and Washington
in cooperation with the U.S. Department of Energy



May 25, 2007

To: Record Center and Dick Byers, Utility and Transportation Commission
From: Dave Sjoding, Team Leader *Dave Sjoding*
Subject: Docket UE-060649 and Interconnection Rulemaking for systems up to 300 kW

The following general comments are provided regarding the second draft interconnection rules:

- 1) The Northwest CHP Application Center appreciates the considerable improvement in the second draft to enable combined heat and power (CHP) and other on-site generation. Some obvious barriers have been removed. The procedural choice to maintain discussion draft status is welcomed.
- 2) We believe additional improvements can be made.

PART I WAC 480-108-040

WAC 480-108-001 (2) (a) states that: "These rules are intended: (a) to be consistent with the requirements of chapter 80.60 RCW, net metering of electricity." However, WAC 480-108-040 (7) does not list CHP at the beginning of (a) where solar, wind, hydropower and fuel cells are listed. CHP should be listed. RCW 80.09.010 (9) reads in part "'Net metering system' means a fuel cell, a facility that produces electricity and used and useful thermal energy from a common fuel source," We do not see statutory justification for classifying CHP as an option that an electrical company may or may not approve.

Cost based charges

Draft WAC 480-108-040 (13) and WAC 480-108-090 (d) should in conjunction with the establishment of cost based fees include the phrase "and consistent with acceptable engineering practices". In addition, there appears to be no pathway for an on-site generator to establish quantifiable benefits for other customers. Distribution line upgrades can clearly benefit other customers and are not normally included in an integrated resource plan. A further recognition is needed in the rules of system benefits created by distributed generation.

925 Plum St SE, Bldg 4 • P.O. Box 43165 • Olympia, WA 98504-3165
(360) 956-2004 • Fax (360) 236-2004 • TDD: (360) 956-2218

Cooperating agencies: Washington State University Extension Energy Program, U.S. Department of Energy, Alaska Energy Authority,
Idaho Department of Water Resources Energy Division, Montana Department of Environmental Quality Energy Program and Oregon Department of Energy