



Intermountain Combined Heat and Power Application Center

| To: | The Public Service Commission of Utah |
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| From: | Utah Clean Energy Sarah Wright <u>sarah@utahcleanenergy.org</u> (801) 363-4046 <i>and</i> Intermountain Combined Heat and Power (CHP) Application Center Patti Case <u>plcase@etcgrp.com</u> (801) 278-1927 |
| Date: | March 28, 2007 |
| Subject: | Comments from Utah Clean Energy and Intermountain CHP Application Center on the Division of Public Utilities' Working Recommendations Regarding EPAct 2005 Amendments to PURPA – Interconnection Standard – Docket No. 06-999-03. |

Thank you for the opportunity to provide comments on the Division of Public Utilities' Recommendations Regarding EPAct 2005 Amendments to PURPA – Interconnection Standard – Docket No. 06-999-03. Please contact Sarah Wright, Director of Utah Clean Energy @ (801) 363-4046 and/or Patti Case, Intermountain CHP Application Center @ (801) 278-1927 with any questions.

1. Analysis: Interconnection Standard

Utah Clean Energy and the Intermountain CHP Application Center appreciate the analysis undertaken by the Division to determine if the Interconnection Standard of the EPAct 2005 should be implemented by the Commission. The PURPA Interconnection Standard reads as follows:

Each electric utility shall make available, upon request, interconnection service to any electric consumer that the electric utility serves. For purposes of this paragraph, "interconnection service" means service to an electric consumer under which an on-site generating facility on the consumer's premises shall be connected to the local distribution facilities. Interconnection services shall be offered based upon the standards developed by the Institute of Electronics Engineer; IEEE Standard 1547 for Interconnecting Distributed Resources with Electric Power Systems, as they may be amended from time to time.

In addition, agreements and procedures shall be established whereby the services offered shall promote current best practices of interconnection for distributed generation, including but not limited to practices stipulated in model codes adopted by associations of state regulatory agencies. All such agreements and procedures shall be just and reasonable, and not unduly discriminatory or preferential.

1.1 Division Recommendations

The Division recommends that the Utah Public Service Commission adopt the standard as written. Facilitating distributed generation in the Utah jurisdiction would be particularly beneficial in managing peak growth and meeting the needs of the growing service territory.

The Division recommends that the PURPA Standard be adopted as written as a first step in helping the State realize those benefits. However, it is only a first step. The Division further recommends that an Interconnection Docket be opened to define terms such as "best practices", explore opportunities and barriers for small, medium, and large DR projects, and look at model interconnection codes to determine if any would be beneficial to Utah. The interconnection docket would also coordinate with the proposed investigation into net metering and interconnection issues that are barriers to greater participating in Utah's net meeting program. The docket would also provide an opportunity to flesh out the details of the standards and to establish measurements to determine utility adherence.

1.2 Utah Clean Energy and Intermountain CHP Application Center Response & Recommendation

As noted in the DPU recommendation, facilitating distributed generation in the Utah jurisdiction has the potential to provide many benefits to Utah, notably managing peak growth and meeting the needs of the growing service territory. Further benefits of distributed generation and renewable energy are outlined in Basso, T.; Friedman, N. R. (2003). "IEEE 1547 National Standard for Interconnecting Distributed Generation: How Could It Help My Facility?" Some of these benefits include, but are not limited to:

- peak load management;
- reduced electric line loss;
- improved reliability;
- clean energy;
- lower-cost electricity;
- reduced price volatility;
- greater reliability and power quality;
- energy and load management; and
- combined heat and power (CHP) synergies.

As such, Utah Clean Energy and the Intermountain CHP Application Center support the Division's recommendation to adopt the standard as written, on the premise that this standard be seen as a first step towards helping Utah realize the benefits of interconnection. We further concur with the recommendation that an Interconnection Docket be opened to define terms such as "best practices", explore opportunities and barriers for small, medium, and large DR projects, and look at model interconnection codes and best practices (such as those identified in the "Interstate Renewable Energy Council's Model Interconnection Standards and Procedures for Small Generator Facilities" and the "Department of Energy's Interconnection Procedures Best Practices for Consideration").

Utah Clean Energy and the Intermountain CHP Application Center also agree with the DPU recommendations to open a docket(s) on net metering and interconnection. We suggest that interconnection standards and rules/procedures in the multi-state region served by the Company and covered in the Integrated Resource Planning processes be as congruent as practical. To this end we further recommend a review of net metering and interconnection regulatory activities, rules and

procedures in the region served by the Company. We recommend sharing information, processes and lessons learned with the regulatory bodies in the other states, and, if possible, jointly developing general rules and procedures that apply across the entire service area.

Sincerely,

Sarah Wright Director, Utah Clean Energy