PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA 1325 G STREET, N.W., SUITE 800 WASHINGTON, D.C. 20005

PUBLIC NOTICE MAY 17, 2018 TECHNICAL CONFERENCES

April 23, 2018

RM-40-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 40 — DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES;

FORMAL CASE NO. 1050, IN THE MATTER OF THE INVESTIGATION OF IMPLEMENTATION OF INTERCONNECTION STANDARDS IN THE DISTRICT OF COLUMBIA; and

RM9-2015-01, IN THE MATTER OF 15 DCMR CHAPTER 9-NET ENERGY METERING- COMMUNITY RENEWABLE ENERGY AMENDMENT ACT OF 2013

The Public Service Commission of the District of Columbia ("Commission") hereby gives notice that on May 17, 2018, the Commission will hold Technical Conferences to separately address community renewable energy facility ("CREF")-related distribution system upgrade costs imposed pursuant to § 4008.13 of Title 15 of the District of Columbia Municipal Regulations ("DCMR") and Interconnection-specific issues raised by commenters in response to the Second Notice of Proposed Rulemaking ("NOPR") issued in *Formal Case No. 1050* on October 6, 2017. The Technical Conferences will be held from 10 a.m. to 3:30 p.m. in the Commission's Hearing Room – 1325 G St. NW, Suite 800, Washington, D.C. 20005. Participants will address the CREF issues related to *RM9-2015-01* from 10 a.m. to 12:30 p.m. Participants will reconvene to address the Interconnection issues related to *Formal Case No. 1050* from 1:30 p.m. to 3:30 p.m. Commission Staff ("Staff") shall preside over the status conference and file a separate Technical Conference Report for each matter by Friday, June 1, 2018.

Background

On February 17, 2017, the Commission issued a NOPR proposing to amend Chapter 40 of Title 15 of the DCMR. Initial and reply comments were due on April 2 and April 18, 2017, respectively. Subsequently, the Commission, in a Notice of Extension, extended the comment deadlines on the NOPR to May 3 and May 18, 2017, respectively. Initial and reply comments were only filed by the Office of the People's Counsel for the District of Columbia ("OPC") and the Potomac Electric Power Company ("Pepco").

After reviewing and incorporating the comments filed on the First NOPR, Staff recommended that a Second NOPR be published so that interested persons could further comment on the proposed changes to the Commission's interconnection rules. On October 6, 2017, the Second NOPR was published in the *D.C. Register* providing for an initial and reply comment period of thirty (30) and

fifteen (15) days, respectively. On October 25, 2017, OPC filed a motion for an extension of time to file initial and reply comments to December 1, 2017 and December 22, 2017, respectively. OPC's Motion was granted.

Initial comments on the Second NOPR were filed by Pepco, OPC, Washington Gas Light Company, the District of Columbia Department of Energy and Environment ("DOEE"), Peer Consultants, P.C., Sunrun, Inc. ("Sunrun"), and New Partners Community Solar Corp., Reply comments were filed by Pepco, OPC, and New Columbia Solar ("NCS"), Groundswell, WinnCompanies, and Eco Capitol Solar, and Pranay P. Kohli.

Technical Interconnection Issues

Changes were proposed to the power thresholds in under 15 DCMR §§ 4004.2(b), 4004.2(e), and 4005.2(i). While others recommended adherence to IREC standards. Pepco seeks to expand the Levels 2-4 requirement for external isolation devices under 15 DCMR § 4008.10, while OPC asserts that other states have required the EDC to pay for isolating switches and that switches are not required for some smaller facilities. OPC requests two configurations for 15 DCMR § 4011(a)(1), Sunrun requests that the final clause of 15 DCMR § 4011(a)(1) be clarified, and several parties proposed changes to the definitions of "Approval to Install" and "Energy Storage." Pepco also proposes the adoption of an "Interconnection Agreement Change Notice" and Sunrun proposed adding a new section on non-export technologies.

Distribution System Upgrade Costs and CREFS

Several commenters raised concerns related to distribution system upgrade costs imposed under 15 DCMR § 4008.13 (Technical Standards and Additional Technical Requirements). Commenters assert that this section could have an adverse impact "on the development of community solar generation in the District of Columbia" and, therefore, "requires additional scrutiny from the Commission." NCS asserts that Pepco's implementation of the interconnection process is unfair to CREFs, referencing a \$34,000 upgrade charge quoted by Pepco to interconnect a CREF, while the same system required no distribution system upgrades under a NEM interconnection application. Pepco disagrees with the assertion that the distribution upgrade costs should not be borne by the interconnection customer, noting that "[t]his provision has been in effect since February 2009;" adding that the current interconnection rules are not appropriate for CREFs and recommending a separate notice of proposed rulemaking focusing on CREFs. DOEE and OPC recommend that the Commission convene a technical conference to discuss the appropriate handling of distribution system upgrade costs.

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The Commission appreciates the detailed comments filed by stakeholders on the Second NOPR. We note that there was a significant increase of comments filed from the First NOPR and that the issues raised varied. Therefore, the Commission finds it appropriate, as recommended by several commenters, to hold technical conferences to separately address the CREF-related issue raised regarding distribution system upgrade costs imposed pursuant to 15 DCMR § 4008.13 and the technical issues raised related to the Second NOPR on our interconnection rules.

The technical conferences will be held in two sessions on the same day, Thursday, May 17, 2018. In the first session, from 10 a.m. to 12:30 p.m., participants will discuss issues related to distribution system upgrade cost. Pepco will provide a brief overview of what constitutes implementation costs or the "net costs for the implementation of Community Net Metering" as stated in Section 908.8 of our CREF rules and in the Community Renewable Energy Credit Rate Clarification Act of 2016, as well as present any other pertinent information regarding distribution system upgrade costs. Pepco's presentation will be followed by group discussion.

In the second session, from 1:30 p.m. to 3:30 p.m., participants will address technical interconnection issues. Pepco will provide a brief overview of the current small generator facility interconnection process, as well as its proposed changes to the process as reflected in pages 5-16 of its initial comments on the Second NOPR. Pepco's presentation will be followed by group discussion.

Commission Staff shall file separate Technical Conference Reports, identifying any consensus recommendations and next steps, by Friday, June 1, 2018.

Comments filed in response to the Second NOPR are accessible through the Commission's edocket system by visiting https://edocket.dcpsc.org/public/search and entering "FC1050" into the "Case Number" field.

Stakeholders interested in participating in the Technical Conferences should notify the Commission no later than noon, Thursday, May 10, 2018, by sending an email including: (1) the participant's name and organization, if applicable; and (2) whether the participant will attend Session 1, Session 2, or both, to <u>psc-commissionsecretary@dc.gov</u> – subject "FC1050/RM9-2015-01 Technical Conferences."