

November 6, 2015

**STATE OF IOWA
BEFORE THE IOWA UTILITIES BOARD**

IOWA UTILITIES BOARD

IN RE:)
) **DOCKET NO. NOI-2014-0001**
DISTRIBUTED GENERATION)
)
) **JOINT COMMENTS ON**
) **INTERCONNECTION RULE**
) **CHANGES**
)

The Environmental Law & Policy Center (ELPC), Iowa Environmental Council (IEC), Interstate Renewable Energy Council, Inc. (IREC) MidAmerican Energy Company (MidAmerican), and Interstate Power and Light Company (IPL) (referred to collectively as “joint commenters”) submit the following joint comments in response to the October 9, 2015 Board Order Soliciting Additional Comments.

On February 16, 2015, ELPC, IEC and IREC submitted joint proposed rule changes in this docket. IPL submitted its own proposed rule changes, and MidAmerican concurred with IPL’s changes and offered some additional language changes for consideration. On April 7, 2015, the joint commenters filed comments identifying areas of agreement on proposed rule additions for interconnection regarding pre-application and supplemental review. On September 1, 2015, the Board issued an Order scheduling a workshop to discuss potential rule changes to chapter 45 interconnection rules as well as chapter 15 and chapter 45 rule changes to implement HF 548. The order included proposed chapter 45 and chapter 15 rule revisions in Appendix A. The Board held the workshop on October 6, 2015, with discussion on a range of potential rule

changes related to interconnection. ELPC, IEC, IREC, MidAmerican and IPL each participated in the workshop. After the workshop, the Board issued the Order Soliciting Additional Comments on October 9, 2015, and invited comments on a range of topics discussed at the workshop, including the pre-application and supplemental review processes. After the workshop, ELPC, IEC, MidAmerican and IPL consulted on areas of agreement for chapter 45 rule changes related to interconnection. Below we discuss each area of agreement and encourage the Board to include these in a proposed rulemaking.

Pre-Application Report

An effective pre-application process will make the interconnection process more transparent and efficient for both smaller and larger generators. The process also has the potential to increase utility efficiency by reducing the number of interconnection applications that are later withdrawn when issues are identified. The Board has recognized the benefits of the pre-application report and included much of the pre-application report language suggested by ELPC, IEC, IREC, IPL and MidAmerican. However, the Board did not include proposed rule language that specifies the information that, if available, must be included in the pre-application report. The joint commenters encourage the Board to include this language in a rulemaking.

A key to the success of the pre-application report is encouraging developers to use this option to screen out non-viable projects earlier in the process. Developer participation helps make the pre-application process work, and the design of a successful pre-application process should keep this in mind. Providing developers with certainty and a reasonable expectation of the information they will receive after paying the pre-application report fee is important. Importantly, if the Board adopts a \$300 fee for the pre-application report, developers and

customers have the right to know what they are getting for this expense. These deliverables should be outlined in the final rule.

A concrete list of items included in the pre-application report was included in IPL's original February 16 proposal as 45.4 and ELPC, IEC and IREC's original proposal as part of 45.XX(2), and this list was based off of the list adopted by the Federal Energy Regulatory Commission (FERC) in the federal Small Generator Interconnection Procedures (SGIP). This list provides consistency and certainty to developers and customers. Standardizing the list also provides developers and customers with assurance that they are being treated fairly. This language specifying the information in the report is important to the success of the pre-application report.

In the joint commenters' April 7, 2015 filing, we noted that the only difference between the IPL proposed language and the ELPC/IEC/IREC proposed language is the time allotted for the utility to respond to the applicant. Joint commenters agreed to support a 20 business day response time. The full IPL language on pre-application report should be used for a proposed rulemaking, including 45.4(3) and 45.4(4). (*See* IPL's February 16, 2015 Filing, NOI-2014-0001, Attachment A).

Given the Board's requirement that utilities offer pre-application reports to interconnection applicants, IPL indicated at the workshop that it would use the FERC SGIP for the pre-application report if one is not provided in rules. MidAmerican noted that it has service territory in Illinois, where the Illinois Commerce Commission is considering updates to its interconnection rules, which could include a pre-application report with a list of information required that is similar to the information required by the FERC SGIP. It makes sense to have

some level of uniformity among the Iowa utilities and, to the extent possible, between the states. This will increase transparency without establishing a significant burden on the utilities.

The recommended pre-application report language establishes that “the pre-application report need only include existing data” and only requires readily available information to be provided. This language eliminates the need to conduct special studies or develop new information solely to meet the requirements of the interconnection report. Further, neither IPL nor MidAmerican has previously conducted FERC SGIP pre-application reviews. Both utilities must take the time to implement and execute the pre-application process, and will learn from the implementation and work to identify further implementation efficiencies and improvements as needed and as more experience is gained.

Supplemental Review

As the amount of distributed generation on a circuit or line section grows there is an increased need to evaluate whether the addition of new generation will result in system impacts that warrant more thorough review. The current interconnection rules provide the utility with the discretion to conduct additional review when a facility fails to meet one or more of the Level 2 screens. 199 IOWA ADMIN. CODE § 45.9(6).

Under the existing rule, the additional review has been interpreted to require a waiver from the Board. *See e.g. In Re: Interstate Power and Light Company*, IUB Docket WRU-2014-0011-0150, Order Granting Waiver (September 3, 2014). In that Order, the Board stated: “Until such time as the interconnection rules are modified, waivers are the appropriate way to deal with situations like those presented here [failing of the 15% screen]. The way the rules currently stand, the Board does not believe it can order the interconnection here without first granting the waiver.” *Id.* at 4. The Board’s proposed chapter 45 rule revisions in the September 1, 2015 Order

Scheduling Workshop do not modify this aspect of the existing rule. Without rule modification, individual waiver requests will continue to provide the only mechanism for utilities to conduct supplemental review, resulting in additional time and costs for all parties. Updating the chapter 45 rules to include supplemental review procedures will improve and expedite the process by eliminating the waiver process.

The FERC SGIP has adopted a more robust supplemental review process which articulates specific screens that are part of the additional review. The details and benefits of these screens were explained in detail in previous comments by the parties. The adoption of these supplemental screens as part of the rule will clarify that the utilities do not have to seek Board approval if they authorize a project that failed any of the initial screens but then meet the supplemental review screens. These screens have been used successfully in other states, allowing for safe and reliable interconnections without unnecessary delay and review. Supplemental review provides a benefit to the utilities, customers and the Board by removing waiver procedures that would consist of the utilities conducting and submitting these very screens to the Board for review. In addition, the supplemental review provides clarity and consistency to customers so that they better understand the interconnection review process and what to expect. Finally, a specified supplemental review process provides the utilities with a clear path to communicate with customers.

At the workshop, Board staff expressed concern about adding to the length and complexity of the rules. The joint commenters believe that greater specificity of the supplemental review process in chapter 45 will increase transparency and clarity, avoid duplicative procedural steps, and eventually lead to greater process efficiency. Providing additional clarity in the rules

with the supplemental review process is the most effective and efficient way to proceed for all stakeholders.

Joint commenters encourage the Board to adopt language in the final rule consistent with the FERC SGIP language. (See IPL's February 16, 2015 Filing, NOI-2014-0001, Attachment A).

As noted above regarding pre-application screens, neither IPL nor MidAmerican has previously conducted FERC SGIP supplemental review. Both utilities must take the time to implement and execute the supplemental review process, and will learn from the implementation and identify implementation efficiencies and improvements as needed and as more experience is gained.

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Respectfully submitted,

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