

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

Nancy Lange	Chair
Daniel Lipschultz	Commissioner
Matthew Schuerger	Commissioner
Katie Sieben	Commissioner
John Tuma	Commissioner

**In the Matter of Establishing Generic
Standards for Utility Tariffs for
Interconnection and Operation of
Distributed Generation Facilities under
Minnesota Laws 2001, Chapter 212**

Docket No. E-000/CI-16-521

February 5, 2018

**MnSEIA REPLY COMMENTS REGARDING PHASE II OF THE COMMISSION
INTERCONNECTION STANDARDS WORKING GROUP**

I. REPLY COMMENTS

In the interest of brevity, MnSEIA in reply will comment solely on the State of Minnesota Distributed Energy Resources Technical Interconnection and Interoperability Requirements (TIIR) that Xcel Energy (Xcel) filed and many other utilities endorsed.¹ The TIIR should be considered a utility position and not an adoptable document for Commission use.

While MnSEIA appreciates the efforts of Xcel and the utilities, the TIIR is nothing more than a negotiating tactic and should be treated as such. Xcel and the utilities are attempting to anchor the conversations in the process to the most aggressive utility position possible. They are seeking total individual utility control over QF applications and engineering specifications through the adoption of the TIIR.

A great example of this is Section 8 A of the TIIR. This section reads as follows:

8. Metering

A. Introduction

The Area EPS Operator shall specify metering requirements in the Area EPS Operator's TSM. Information about the DER present and historic operating characteristics *may be* required by the Area EPS in order to plan and operate the system. In addition, information *may be* needed fulfill financial and regulatory obligations associated with DER energy production.

¹ COMMENTS, XCEL ENERGY, Docket No. E999/CI-16-521, Doc. Id. 20181-139051-01 (Jan. 17, 2018) [hereinafter *TIIR*]

The different types of data *may* have different requirements in terms of accuracy and granularity, which should be considered by the Area EPS. The information required for a given DER size *may* change as DER penetration increases on a portion of the EPS. *Defining static metering requirements is a challenge.* Furthermore, *each utility uses different metering technology that changes over time, each with its own integration considerations.* It is beyond the scope of this document to describe all of the potential different metering configurations or requirements. In general, the Area EPS shall consider the following *are the types of information* when developing metering requirements in its TSM:

- i. Operational – near-real-time information on the DER operating characteristics *can be* needed in order to perform certain actions such as reconfiguring a feeder or restoring a feeder after an outage.
- ii. Planning – an archive of time-series information over multiple years of DER operation is required for Area EPS and TPS planning.
- iii. Regulatory – The Area EPS *may* have obligations to track and report on the amount of energy produced from renewable energy DER²⁷. *Specific incentive programs or tariffs can create additional metering needs.*
- iv. Billing – the Area EPS is responsible for accounting for energy transactions with the DER Operator and shall have access to revenue grade metering information.

The Area EPS Operator *may* require separate accounting of generation and load power injection and consumption characteristics in order to meet planning and operating objectives on the Area EPS and TPS. *Correlation of time data may be necessary in certain situations* and the Area EPS should consider this factor when specifying metering requirements in its TSM. The Area EPS Operator *may use* other means of collecting the necessary information, besides the meter, if the Area EPS Operator determines the information is adequate for the intended use based on industry standards and best practices.

The Area EPS Operator should constructively participate in efforts by the RTO or TPS Operator to collect any necessary data from the DER, within the context of what is allowed by statewide and national standards. This information can be important to effective future TPS and RTO planning and operations. The exchange of this information shall be governed by agreements between the entities directly involved in the information exchange.²

² *TIIR* at 24 (emphasis added as italics to illustrate points of utility control and emphasis added as italics and underlined to illustrate utility arguments justifying the *TIIR*'s language within the confines of the *TIIR*).

The above basically states that all of metering is now at each individual utilities' discretion. Section 8 is a list of things utilities should think about considering when deciding whatever they want.

Furthermore, Section 8 does not read how technical standards should. Xcel peppers in their own arguments, like “[d]efining static metering requirements is a challenge,” despite that being a totally unnecessary statement to make in this document. If the TIIR was approved the way they want, what difference does it make how hard it is to do metering? They would have total control over the process anyway. The TIIR provides argumentative justification for its own standards, which even makes it read more like additional commentary instead of a set of standards that is ready for Commission adoption.

Contrast this language with the pre-existing technical language that is fairly specific about what types of metering needs to be used, and has historically been quite successful across the state for QF deployment and for mitigating grid instability. The TIIR type of language would eliminate all consistency across the state and would permit utilities to require whatever they felt like. The TIIR is not a standard; it is a wish list.

There are other instances throughout the TIIR that include faults like those found in Section 8. For instance, in Section 11 Xcel effectively implements a 100kW cap on non-exporting eligibility, which is not a technical requirement but is more akin to the language found in utility Tariffs, and Section 13's Operating Agreement, which allows over eleven different items in the agreement at the utility's election but provides for no consistency between utilities.³

In developing its own technical standards, the Commission should borrow from the TIIR, other stakeholder feedback, the pre-existing technical standards, IEEE standards and more. But the Commission should not start with the TIIR and then modify it as the technical standards portion continues. This practice would constitute an immediate Commission endorsement of the utility approach. Starting with the TIIR would be antithetical to the workgroup concept - as the whole point was to develop a document like the TIIR together.

The primary issue that MnSEIA has with the TIIR is that it is impermissible under Minn. Stat. § 216B.1611. The guiding statute's purpose is to “establish the terms and conditions that govern the interconnection and parallel operation of on-site distributed generation,” and to “establish technical requirements that will promote the safe and reliable parallel operation of on-site distributed generation resources.” Further the statute states “At a minimum, these tariff standards must: [...] provide for the low-cost, safe, and *standardized* interconnection of facilities [...]” The TIIR is a document with so much individual utility control that it renders the statute meaningless. An individual applying for a QF has no real understanding of what requirements will ultimately be requested by the utility, and an individual utility's Technical Specifications Manual might not even be posted on 98% of the state's utilities' websites.⁴ Thus it is not a standard as specifically contemplated by § 216B.1611, subd. 2 (2) and the statute generally.

³ See *TIIR* at 29-30; See also *TIIR* at 32.

⁴ See *TIIR* at 5 (stating “Area EPS which are regulated by the Minnesota Public Utilities

Having certainty is incredibly important to the developer community. Without a firm understanding of the associated costs of a project until well into the application process makes financing projects untenable. It also makes it hard for the developer to promise customers specific prices, because the prices are all subject to radical changes upon application review. Lastly, one of the values of a standardized approach is a developer can move from one service territory to the next and have a good understanding of what each utility will require. The TIIR allows for so much individual utility control, that each developer will have to approach every utility for specification on all of their projects. The level of utility specification makes it incredibly difficult to develop QFs in any Minnesota service territory and defeats the entire purpose of having a standardized approach.

Finally, MnSEIA would like to contrast this situation with the similar instance that occurred with the interconnection standards. There the Joint Movants filed the SGIP, which is a neutral document forged from work groups and best practices throughout the United States. The utilities initially started with a redline of the pre-existing standards. Both of these approaches would have been reasonable for the Commission to adopt as a starting point. Here, however, Xcel and the other utilities have developed their own approach. Yes, it is true that much of the TIIR is based on IEEE standards and utility experience, but the TIIR is utility's interpretation of IEEE standards and experience. The current situation, while seeming similar to the initial SGIP filing process, is quite different and needs to be treated as such.

MnSEIA would like to note, however, that the TIIR does do a sufficient job encapsulating the issues that should be discussed in Phase II. MnSEIA hopes the Commission will consider the TIIR as nothing more than a list of topics the utilities would like covered, and their initial opinions on each topic. The TIIR is a summary of utility positions on each item we will be discussing in this work group and is nothing more than that. MnSEIA requests the Commission treat it as such.

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Respectfully submitted,

David Shaffer, Esq.
Policy & Development Director
Minnesota Solar Energy Industries Association (MnSEIA)
Email: dshaffer@mnseia.org
Phone: 612.849.0231

Commission shall post the TSM online. For non-regulated cooperatives and municipals to which the statewide standards apply, the TSM may be posted on the Area EPS Operator's website").

