



Interconnection Reform Update to New Jersey Board of Public Utilities IX/NEM Working Group

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Solar Energy Industries Association
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About SEIA

- **Solar Energy Industries Association (SEIA) is the national trade association of the solar industry.**
- **SEIA merged with the Solar Alliance on January 1, 2012, to gain capacity to work in state forums, particularly key solar states such as New Jersey.**
- **State policy is extraordinarily important to solar.**

- **Small generation interconnection policy landscape has changed significantly in recent months:**
 - Hawaii Rule 14h (November 2011).
 - NREL/Sandia/EPRI Report “Updating Interconnection Screens for PV Systems” (January 2012).
 - SEIA Petition for FERC Rulemaking to update small generator interconnection rules for solar wholesale DG (February 2012).
 - California Rule 21 Interconnection Settlement between CA IOUs, SEIA and others (March 2012).

- **Hawaii Rule 14h:**

- Streamlined supplement review if project fails initial screening.
- Interconnection Requirements Study not required if aggregate DG penetration is below 50% of the distribution circuit demand.
- Time limits for completion of key major steps in interconnection process.
- Utility is responsible in certain cases for post-interconnection costs.

- **NREL/Sandia/EPRI Report Excerpts:**

- “the existing 15% [fast track] screen is conservative and not an accurate method... [in many cases]”.
- “There are many circuits... with PV penetration levels well above 15% where system performance, safety, and reliability have not been materially affected.”
- “...it is possible to refine screening procedures...without compromising safety and reliability of the interconnected distribution system.”
- “...it makes sense to consider minimum daytime load as a technical screening criterion”.

Sample Commercial/Residential Load Profile, 2008

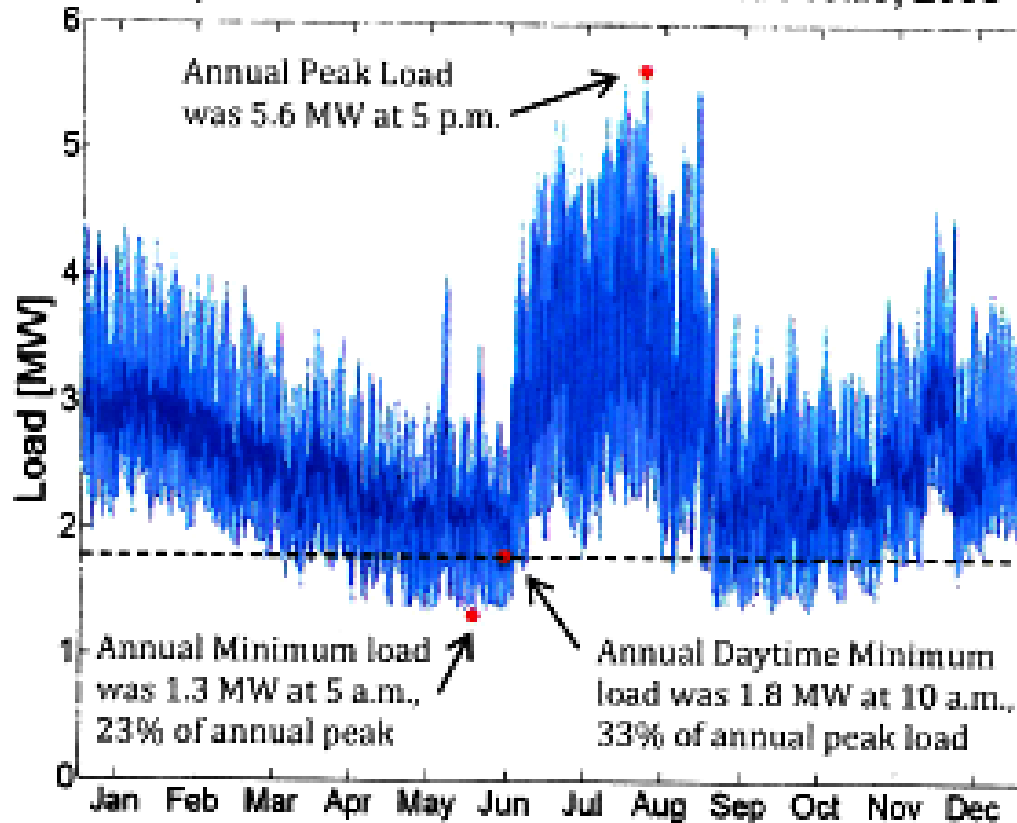


Figure 4 – This load profile indicates that minimum daytime load is significantly higher than absolute minimum load

Source: NREL screens report,
January 2012

(15% of peak load = 0.84 MW)

- **SEIA Fast Track Interconnection Petition to FERC:**

- Preserves 15% screen.
- Supplemental 100% minimum day-time load screen with power quality, voltage fluctuation, safety and reliability tests. This could roughly double amount of solar DG eligible for fast track interconnection.
- Raises MW cap to no cap or 10 MW cap.
- Obligation to collect minimum load data triggered when distribution circuit aggregate DG exceeds 10% of peak load. Minimum load can also be estimated through modeling.
- Expedited independent third party review of upgrades.
- Does not impinge on state interconnection authority.

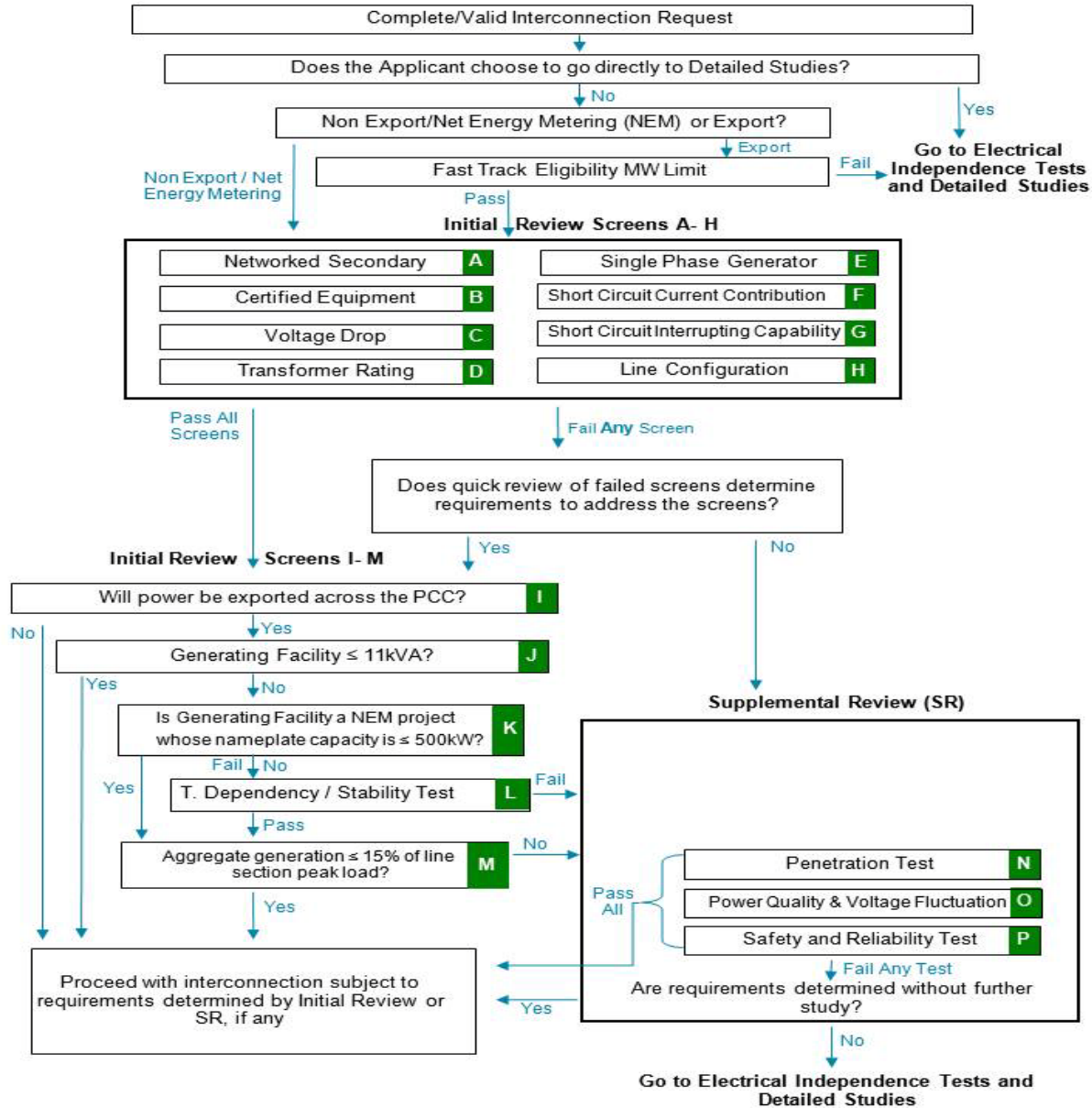
- **SEIA Fast Track Interconnection Petition to FERC-Comments:**

- Positive comments from NJ BPU, CPUC, PJM, solar industry and environmentalists.
- Opposition from utility trades- EEI, NRECA and APPA and other utilities.
- NARUC- supports technical conference, notes recognition of state jurisdiction.

- **California Rule 21 Interconnection Settlement:**
 - Comprehensive settlement of both retail and wholesale small generation interconnection.
 - Key signatories include Pacific Gas & Electric, Southern California Edison, San Diego Gas & Electric, IREC and SEIA.
 - California Public Utility Commission approval expected in summer 2012.

- **California Rule 21 Interconnection Settlement:**
 - Preserves 15% screen.
 - Supplemental 100% minimum day-time load screen with power quality, voltage fluctuation, safety and reliability tests.
 - Use of minimum load data when available or can be estimated from a power flow model.
 - Cap increased to 3 MW on “lines of appropriate voltage.”

Interconnection Technical Framework Overview



- **SEIA Request:**

- SEIA appreciates BPU's leadership on interconnection.
- Respectfully requests BPU staff to conduct meeting(s) focusing in depth on latest developments.
- This could be followed by small generator interconnection reform rulemaking.
- The NREL report, SEIA petition, CA Rule 21 Settlement and Hawaii Rule 14h provide a good starting point.
- BPU could build and improve upon.

Questions?

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