

Staff Recommendations on Standards 14 and 15 of the Energy Policy Act of 2005 (EPAct 2005)

Introduction

This document represents the Staff findings, determinations, and recommendations for consideration and determination of Standards 14 and 15 of the Public Utility Regulatory Policies Act of 1978 (as amended by the Energy Policy Act of 2005), 16 U.S.C. §2621(d)(14) and (15). PURPA jurisdictional members have until August 8, 2007 to begin consideration of time based metering and communications, and interconnection standards for distributed resources.

The Public Utility Regulatory Policies Act of 1978 (PURPA) was enacted as part of the National Energy Act by President Jimmy Carter. The Energy Policy Act of 2005 (EPAct 2005) adds five additional PURPA standards that state commissions and nonregulated utilities must consider. These include (1) net metering; (2) fuel diversity; (3) fossil fuel generation efficiency; (4) time based metering and communications; and (5) interconnection standards for distributed resources. The City Commission took initial action to meet the PURPA requirements on July 31, 2006. The City Commission received a presentation on the schedule and public participation procedure for consideration and determination of Standards 14 and 15 on June 11, 2007.

PURPA jurisdictional members have until August 8, 2007, to begin consideration of time based metering and communications (Standard 14), and interconnection standards for distributed resources (Standard 15).

Standard for Time Based Metering and Communications

PURPA requires consideration by each electric utility of offering each of its customer classes, and providing to individual customers upon customer request, a time-based rate schedule under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility's costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule, if adopted, would enable the electric consumer to manage energy use and cost through advanced metering and communications technology.

Standard for Interconnection for Distributed Resources

The PURPA interconnection standards require consideration of the interconnection of electric utility distribution facilities to certain customers who have on-site generation. Each electric utility shall make available on request interconnection service to any electric consumer that the electric utility serves. For purposes of this paragraph the term interconnection service means service to an electric consumer under which on-site generating facility of the consumers premises shall be connected to the local distribution facilities. Interconnection services shall be offered based upon the standards developed by the Institute of

Electrical and Electronics Engineers: IEEE Standards 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 are offered shall promote current best practices of interconnection for the 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.

Timeline

- June 15, 2007 - GRU staff recommendation will be released and available at the Office of the General Manager at 301 SE 4th Avenue, Gainesville, Florida 32614-7117, or by telephone at 352-393-1000. The GRU staff recommendation will also be available at the Office of the Clerk of the Commission at 200 East University Avenue, Gainesville Florida 32602-0490, or by telephone at 352-334-5015. The Notice (attached) of Hearing will be published in the Gainesville Sun.
- On, or before June 25, 2007 – members of the general public planning to participate in the hearing must file a Notice of Intent to Participate in Hearing (attached) and may file written testimony and any other information in support of or in opposition to the adoption of the GRU staff recommendation. Notice of Intent may be filed at the meeting.
- June 25, 2007 – public hearing shall be held at the City Commission meeting, after 6 pm.
- June 27, 2007 – The General Manager shall issue a Recommended Decision for Gainesville City Commission consideration
- July 9, 2007 - The Gainesville City Commission shall issue their decision adopting, modifying or rejecting the Recommended Decision regarding the implementation of Standards 14 and 15.

Consideration of Time Based Metering and Communications (Standard 14)

Considerations

- Currently a voluntary Residential Time of Use rate is offered (Attachment A). GRU proposes to offer a Time of Use rate for all other rate classes on October 1, 2008.
- Advanced Metering Infrastructure (AMI) has been evaluated by GRU in 2007. A staff team published and reviewed Requests for Proposal responses (Attachment B). A metering solution that met GRU needs to incorporate multiple utility uses was not forthcoming for a pilot study. Additional rate structures will be investigated and evaluated, which may or may not need advanced metering technologies.
- Peer utility rate structures will be evaluated for time differentiated rate structures.

- Load data will be reviewed to determine the best way to design time differentiated rates

Determination

It is GRU staff's professional opinion that standards implementing procedures for time based metering and communications should be adopted

Staff determines that GRU should propose voluntary time differentiated rates for all classes as the promote conservation and to promote the efficient use of utility resources effective October 1, 2008.

Interconnection Standards for Distributed Resources (Standard 15).

Considerations

- GRU currently has a standard interconnection agreement for large customers at the transmission level and small generating entities.
- A 10KW photovoltaic interconnection standard has been in place and contract for resale of electricity to the System has been available for customers for several years
- The two distributed generation interconnection agreements have been combined and modified to accommodate any size of distributed generation unit and to meet all the requirements of the Energy Policy Act of 2005 (EPAAct 2005). (Attachment C – undergoing final technical review to be made available by October 1, 2007).
- If the Gainesville City Commission adopts the standards, it would be required to make the system available for such interconnection and qualifying customers would be required to meet certain engineering requirements.

Determination

It is GRU staff's professional opinion that standards implementing interconnection for distributed resources should be adopted

Staff will finalize the Interconnection Agreement. Staff will adopt and implement the revised Interconnection Agreement to support distributed generation at any scale, effective October 1, 2007.

Future Procedures

A Recommended Decision incorporating findings and evidence developed from the June 25, 2007 public hearing and comments submitted in writing will be issued June 27, 2007