COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF	)
INTERCONNECTION AND NET METERING	) CASE NO. 2020-0302
GUIDELINES	)

BRIEF OF JOINT INTERVENORS MOUNTAIN ASSOCIATION AND EARTH TOOLS, INC.

Come Joint Intervenors Mountain Association and Earth Tools, Inc. ("Joint Intervenors"), in response to the *Order* entered by the Public Service Commission ("Commission") on February 16, 2021, as modified by *Order* dated March 4, 2021, and herewith files a brief "setting forth current and reasonably anticipated issues and concerns…regarding net metering interconnection guidelines and FERC Order No. 2222."

Joint Intervenors adopt the *Kentucky Solar Industries Association, Inc. Written Brief* and Exhibits thereto filed in this case as their own brief and incorporate the brief as if fully set forth below and offer brief supplemental comments thereto.

INTRODUCTION

On September 24, 2020, the Commission opened this proceeding to investigate and potentially modify and update net metering interconnection guidelines, which were initially adopted and last addressed in Administrative Case No. 2008-00169, *Development of*

Guidelines for Interconnection and Net Metering for Certain Generators with Capacity Up to Thirty Kilowatts (Ky. PSC Jan. 8, 2009).

During the pendency of Case No. 2019-00256, an administrative case opened by the Commission to receive comment regarding legislation that amended the statutory requirements relating to the net metering of electricity, several commenters suggested that the net metering interconnection guidelines should be revisited and updated as needed. In light of the information contained in the record of Case No. 2019-00256, *Electronic Consideration of the Implementation of the Net Metering Act* (Ky. PSC Dec. 18, 2019), the Commission, on its own motion, determined that the record of Case No. 2019-00256, should be incorporated by reference into this proceeding.

The Commission further directed that the parties should file, within 30 days of the date of this Order, a written brief discussing current and reasonably anticipated issues and concerns identified by each party regarding net metering interconnection guidelines, and, separately, current and reasonably anticipated concerns regarding Federal Regulatory Energy Commission (FERC) Order No. 2222.

The Commission directed such briefs in recognition that since the parties to this case represent a variety of interests, gathering such information may be productive in evaluating existing interconnection guidelines, identifying necessary modifications and best practice

considerations, and analyzing the physical and operational impact of FERC Order No. 2222.

Current and Reasonably Anticipated Issues And Concerns

In the Commission *Orders* referenced above, the Commission requested that the parties brief what they consider to be the "current and reasonably anticipated issues and concerns…regarding net metering interconnection guidelines and FERC Order No. 2222."

Net Metering

Joint Intervenors concur that the current Interconnection Guidelines for Net Metering, which were the product of a truly collaborate effort by the jurisdictional electric utilities and individuals advocating for expansion of net metering and distributed generation, are in the main sound, protective of the interests of solar customer-generators and of the utilities, and yet are in need of revision in order to address identified implementation issues that have arisen over the years.

KYSEIA has identified a number of issues that should be addressed in a uniform tariff that provides predictability from one utility to the next, and which do not raise artificial or burdensome barriers to adding distributed generation to utility systems through net metering.

The original PSC Guidelines for Interconnection, at p.8, established the tone that we believe should animate any discussions of revisions to the current Guidelines:

> These guidelines are intended to facilitate the use of net metering and interconnection of renewable energy generators by establishing interconnection and net metering guidelines for all retail electric suppliers operating in the Commonwealth, incorporating all applicable safety and power quality standards established by the National Electrical Code (NEC), Institute of Electrical and Electronics Engineers (IEEE) and accredited testing laboratories such as Underwriters Laboratories (UL).

Joint Intervenors believe that any revisions to these Guidelines should stay true to this principle - that they are intended to *facilitate* rather than constrain the use of net metering and interconnection of renewable energy generators. In this spirit, a utility's interconnection guidelines should not be used to restrict or impede a customer's ability to use net metering or distributed generation, whether by intent or effect.

The original PSC Interconnection Guidelines applied uniformly to all regulated utilities. (see p.2, #6 of pdf). This consistency should be maintained, and those issues identified by KYSEIA that are not unique to a utility should be standardized and adopted by each utility as were the initial Guidelines. Some utilities have additional interconnection requirements with greater technical detail than the Interconnection Guidelines (for example, LG&E/KU have such requirements). As part of this deliberative process, the Commission should ensure that the technical requirements of the Guidelines are uniform and that any additional detail provided by a utility does not create unnecessary barriers to interconnection and are consistent with the PSC Guidelines. Uniform comprehensive guidelines should cover as much as possible with

additional requirements if needed for utility-specific situations, reviewed by the Commission and interested parties in that utility service area.

IREC's Model Interconnection Procedures 2019 are being proposed by KSEIA as the basis for KY's new standard. Joint Intervenors support the incorporation of those Model Procedures as needed into the current Guidelines. The IREC document begins with series of questions to be addressed during development of a state's interconnection standards (p.5 of pdf). Joint Intervenors recommend that the Commission require each jurisdictional utility to respond to those questions, and that actual customer-generator experience responses be included.

Joint Intervenors believe that in order to provide the stability and predictability that will enable successful integration of distributed generation from net metering and other customer-generators, that changes in the Interconnection Guidelines for Net Metering be undertaken in a proceeding such as this rather than in the context of individual rate cases.

An example of the Joint Intervenors' concern is in LG&E/KUs proposed Interconnection Guidelines in the pending rate case 2020-00350. LGE/KU proposed a new provision not contained in the current Guidelines, relating to the communication between the customer-generator's equipment and the company's equipment:

> Customer shall allow data communications between the Customer's distributed generation equipment and the Company's

control systems or other assets, where required by the Company for planning, coordination, reliability, or power quality purposes.

Case 2020-00350, p.195 of 07-KU_Filing_Requirements_1of3(Tab_1-45).pdf" of 2020-00350.

The addition of such a new provision should be considered in this proceeding rather than in an individual rate vase, so that matters relating to customer privacy, and the use and sale of data can be addressed in a deliberative and collaborative manner.

Another issue raised in the LGE/KU proceeding that should be addressed in the revision to these Guidelines rather than in a specific rate case, relates to those modifications to systems that would cause a "grandfathered" net metering system to be converted to a new NMS tariff.

LG&E has proposed that "[a]ny modification in generation capacity related to existing customers taking service under NMS-1 will cause their service to be transitioned to NMS-2." Joint Intervenors believe that as part of the collaborative process, this issue should be vetted to provide exceptions for certain cases, such as where modules are replaced with similar but slightly higher wattage, because identical modules are not always available; and/or where DC capacity can be increased without increasing AC capacity (e.g. increasing PV capacity without changing inverter). Also, the question of how adding storage behind the meter is addressed, and whether the addition of storage to an existing NMS I

system, or whether any solar module replacements or even solar module additions that maintain the same originally applied grid-tied inverter AC output (if inverter based), would cause that system to lose the "grandfathered" status, should be evaluated in the context of this case.

For example, a customer-generator that applied for NMS service with a 7.6 kW AC output inverter and with 8-kW DC rated capacity of solar modules could add more solar modules (technical limit about 10.5 kW DC due to limit to the inverter) and still maintain NMS service. Such a clarification could alleviate concerns of customer-generators regarding solar module replacement due to failure.

FERC 2222 and 2222a.

The Commission requested that the Parties also address issues relating to FERC Order No. 2222.

FERC Order 2222 is intended to "promote competition in electric markets by removing the barriers preventing distributed energy resources (DERs) from competing on a level playing field in the organized capacity, energy, and ancillary services markets run by regional grid operators." Joint Intervenors support this goal.

In the Order, FERC affirms the numerous benefits that DER's provide to the electricity grid and ratepayers and asserts that wider participation of DER's in wholesale electricity markets will help reduce costs for ratepayers. FERC's Order 2222 thus validates arguments made by the

Joint Intervenors in recent cases concerning net metering, that DER's provide substantial and significant benefits to utilities, their customers, and society, and that fair, just, and reasonable ratemaking should account for these benefits in a holistic manner.

With regards to Kentucky's Interconnection Guidelines, Order 2222 offers further justification for continuing to follow the Commission's intent in the original Interconnection Guidelines, which state, "*These guidelines are intended to facilitate the use of net metering and interconnection of renewable energy generators*."(p.8 of pdf, Ky NM & Interconnection Guidelines) As FERC acknowledges the numerous benefits DER's can provide and their potential role in reducing costs for ratepayers, we urge the Commission to remain faithful to the intention of using these Interconnection Guidelines to facilitate the use of renewable energy resources (and other DER's) in Kentucky; and to avoid any changes to these Interconnection Guidelines which would raise new barriers to DER's.

Respectfully submitted,

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CERTIFICATE OF SERVICE

This is to certify that the electronic version of the foregoing is a true and accurate copy of the same document that will be filed in paper medium; that the electronic filing has been transmitted to the Commission on April 19, 2021; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that in accordance with the March 16, 2020 Commission Order in Case No. 2020-00085 an original and ten copies in paper medium of this *BRIEF OF JOINT INTERVENTORS MOUNTAIN ASSOCIATION AND EARTH TOOLS, INC.* will not be mailed until after the lifting of the current state of emergency.

Tom FitzGerald