

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC INVESTIGATION OF)	
INTERCONNECTION AND NET METERING)	Case No. 2020-00302
GUIDELINES)	

SUPPLEMENTAL BRIEF OF KENTUCKY POWER COMPANY

INTRODUCTION

The Public Service Commission of Kentucky (“Commission”) initiated this administrative case on September 24, 2020 to “investigate and potentially modify and update net metering interconnection guidelines in light of the time since the establishment of those guidelines over a decade ago and to address the enactment of Senate Bill 100, An Act Related to Net Metering ...”¹ On February 16, 2021, the Commission directed the parties to file written briefs “discussing current and reasonably anticipated issues and concerns” they have identified regarding “net metering interconnection guidelines, and, separately, current and reasonably anticipated concerns regarding Federal Regulatory Energy Commission (FERC) Order No. 2222.”² Kentucky Power Company (“Kentucky Power” or the “Company”) filed its original brief on April 19, 2021 (“Original Brief”).

On February 4, 2026, the Commission issued an order establishing a procedural schedule for this proceeding which included a February 26, 2026 informal conference and provided the opportunity for the parties in the case to provide supplemental briefing.³ During the nearly five

¹ Order at 1 (Sept. 24, 2020).

² Order at 2 (Feb. 16, 2021); *see also* Order at 2 (Mar. 4, 2021) (extending the deadline for written briefs to April 19, 2021).

³ Order at 1 (Feb. 4, 2026); *see also* Order at 2 (Mar. 12, 2026) (extending the deadline for supplemental briefs to April 6, 2026).

years since the Company first provided comments on the Net Metering Interconnection Guidelines (the “Guidelines”) the practice of interconnecting distributed generation resources to utility distribution systems has matured. For example, on January 1, 2024, Kentucky Power’s parent company, AEP, first published its DER Technical Interconnection and Interoperability Requirements (“TIIR”) for the AEP System.⁴ The AEP TIIR specifies the technical requirements for the interconnection of distributed energy resources to the distribution systems of AEP’s operating utilities including Kentucky Power and is consistent with the applicable IEEE standard.⁵

Kentucky Power appreciates the opportunity to supplement its Original Brief and offers the following updated comments on the Net Metering Interconnection Guidelines (the “Guidelines”). These comments are intended to replace the comments in the Company’s Original Brief.

DISCUSSION

I. Comments Regarding Net Metering Interconnection Guidelines

As it was in the Original Brief, each of the following lettered sections contains the Company’s comments relating to a section of the existing Interconnection Guidelines approved in Case No. 2008-00169 (*see* Order, Ky. P.S.C. Jan. 8, 2009). Kentucky Power offers its supplemental comments as to each section of the existing guidelines in the same format as the existing guidelines for ease of reference.

To begin with, Kentucky Power requests that the Commission update the introductory paragraphs of the Guidelines as follows:

⁴ The current version of the TIIR is available at <https://www.aep.com/requiredpostings/aeptransmissionstudies/der-tiir/> and a copy of the TIIR is included as **EXHIBIT 1**.

⁵ *IEEE Standard for Interconnection and Interoperability of Distributed Energy Resources with Associated Electric Power Systems Interfaces*, IEEE Standard 1547-2018.

Interconnection and Net Metering Interconnection Guidelines - Kentucky

These guidelines are intended to facilitate the use of net metering and *to establish guidelines for the interconnection of eligible customer-generators 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).

These changes will confirm that the Guidelines apply to the interconnection of eligible customer-generators as defined in KRS 278.465. Utilities have developed additional processes for the interconnection of non-net metering resources to its system that are not and should not be included in the Guidelines.

a. Availability of Service

As noted in the Original Brief, the Availability of Service Section of the Guidelines does not define, or lacks clarity for, several key terms. For clarity and consistency between utilities, the Commission should address this issue, to ensure the guidelines are clear and consistently followed by utilities, and that utilities all have a common understanding of what these terms mean and how they should be applied.

Through the TIIR, the Company has developed and implemented definitions for key terms. These defined terms include:⁶

TERM	DEFINITION
Customer	Any adult person, partnership, association, corporation, or other entity interacting with AEP who: <ul style="list-style-type: none">• Receives delivery service• Supplies electric service

⁶ TIIR, Section 2.0 at 13-18.

TERM	DEFINITION
	<ul style="list-style-type: none"> • Combines electric supply and delivery service
Parallel Operation	Means the operation, for 100 milliseconds or longer, of a DER while connected to the energized distribution system.
Capacity	The ability of the electric system (or part of the system) to transmit power demand for a particular time interval without exceeding accepted design specifications.
Nameplate Capacity	The sum total of maximum rated power output of all of a DER's constituent generating units and/or energy storage as identified on the manufacturer nameplate, regardless of whether its production/export is going to be limited by any approved means.
Nameplate Rating	<p>The normal maximum operating rating applied to a piece of electrical equipment. This can include kW, kVA, Volts, Amps, or any other specific item specification for the equipment.</p> <p>For DERs: means the sum total of maximum rated power output of all a DER's constituent generating units and energy storage units as identified on the manufacturer nameplate, regardless of whether it is limited by any approved means.</p>

The definitions in the TIIR comply with IEEE standards and have been successfully implemented in the AEP system as part of the DER interconnection process. The Company respectfully request that the Commission consider incorporating the definitions from the TIIR into the Guidelines. Doing so will ensure consistent use of definitions consistent with industry standards.

b. Metering

Kentucky Power respectfully requests that the Commission update the Guidelines to require that a utility and its customers use good utility practice to ensure that metering is sufficient to meet the needs of both the customer and the utility.

c. Billing

The Company has no supplemental comments on the billing section of the Guidelines.

d. Application and Approval Process

At the time of the Original Brief, the Company had not developed or implemented the TIIR. Additionally, at that time, the on-line application process used by Kentucky Power and its affiliated operating companies was not well established. With that in mind, Kentucky Power provides the following recommendations on how to update the Application and Approval process section of the Guidelines.

- The Guidelines should be updated to confirm that customers seeking to participate in net metering receive approval from the utility *prior to* constructing the generating facility. This will avoid situations where a customer has expended resources to construct a net metering generating facility, but, following review by the utility, the facility needs to be updated to ensure that it can be connected to the utility's system safely and without negatively impacting the system and other customers. Review prior to construction avoids this situation.
- The Guidelines should be updated to allow a utility to use an on-line application process. The Guidelines should allow utilities flexibility in their on-line applications to ensure that the utility is able to obtain the information necessary to adequately review an application. This information could include: specifics regarding the customer, the service address, the contact person for the application, the installer, and detailed technical information.
- The Level 1 process outlined in the Guidelines should be updated as follows:
 - The applicability criteria for using the Level 1 process should be updated to the following:

A Level 1 Application shall be used if the generating facility is inverter-based and is certified by a nationally recognized testing laboratory to meet the requirements of Underwriters

Laboratories Standard 1741-SB "Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources" (UL 1741-SB) *as may be updated if the updated version is adopted by the utility.*

This change ensures that the current version of the UL standard for inverter-based generating facilities applies provided that the utility has reviewed and adopted the updated standard.

- Review Condition (7) for Level 1 applications should be updated to the following:

(7) The Utility does not identify any violations of any applicable provisions of IEEE 1547-2018, "Standard for Interconnecting Distributed Resources with Electric Power Systems" *as may be updated if the updated version is adopted by the utility or any violations of the utility's publicly available technical interconnection requirements for distributed energy resources.*

This change also ensures that the current version of the IEEE standard is met and that the utility's other technical requirements are complied with to ensure safety and protection of the distribution system prior to a net metering system interconnecting.

- The timeline for a decision on a Level 1 application should be amended to require a decision within 30 days after a utility's receipt of a complete and conforming application with an acknowledgement that the time spent by a utility requesting additional information to complete its review does not count against the time for providing a decision.
- The Level 2 process outlined in the Guidelines should be updated as follows:
 - The approval criteria should be updated as follows:

The Utility will approve the Level 2 Application if the generating facility meets the Utility's technical interconnection requirements, which are based on IEEE 1547-2018 *as may be updated if the updated version is adopted by the utility.* The Utility shall make its technical interconnection requirements available online and upon request.

As with the similar change to the Level 1 process, this ensures that the most up to date and adopted standard is met.

- The timeline for a decision on a Level 2 application should be amended to require a decision within 60 days after a utility’s receipt of a complete and conforming application with an acknowledgement that the time spent by a utility requesting additional information to complete its review does not count against the time for providing a decision.

e. Application, Inspection and Processing Fees

The Company has no supplemental comments on the application, inspection, and processing fees section of the Guidelines.

f. Terms and Conditions for Interconnection

The Company has no supplemental comments on the terms and conditions section of the Guidelines.

II. Comments Regarding FERC Order 2222

On September 17, 2020, FERC issued Order No. 2222 “to remove barriers to the participation of distributed energy resource aggregations in the Regional Transmission Organization (“RTO”) and Independent System Operator (“ISO”) markets[.]”⁷ Order No. 2222 is directed toward the RTO and ISO market rules and tariff changes that would be needed to accommodate the participation of such aggregations in the wholesale energy and capacity markets. FERC made clear that it was not interfering with state regulation of the distribution system, stating:

the Commission recognizes a vital role for state and local regulators with respect to retail services and matters related to the distribution system, including design, operations, power quality, reliability, and system costs... we reiterate that nothing in this final rule preempts the right of states and local authorities to regulate the safety and reliability of the distribution system and that all distributed energy resources must comply with any applicable interconnection and operating requirements.⁸

⁷ *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 172 FERC ¶ 61,247 (2020) (“Order No. 2222”), *order on reh’g*, Order No. 2222-A, 174 FERC ¶ 61,197 (2021).

⁸ Order No. 2222 at P 44.

In the nearly six years since FERC issued Order No. 2222, Kentucky Power and its affiliates within AEP have evaluated the Order No. 2222 with the goal of implementing procedures to ensure the safety and reliability of the distribution and transmission systems are maintained. Recently, Kentucky Power's affiliate, Indiana Michigan Power Company ("I&M") provided comments to the Indiana Utility Regulatory Commission in a rulemaking proceeding relating to Order No. 2222. A copy of I&M's comments is included as **EXHIBIT 2**.

Except for Indiana-specific naming references, the recommendations in the I&M comments apply equally to Kentucky. Accordingly, Kentucky Power recommends that the Commission implement the substantive recommendations made in the I&M comments in response to Order No. 2222.

CONCLUSION

Kentucky Power looks forward to continuing to discuss these topics with the Commission and stakeholders as these proceedings continue.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be "K. J. Gish, Jr.", enclosed within a large, loopy blue oval.

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