



# Arizona Corporation Commission DGI Workgroup Meeting

Docket No. E-00000A-99-0431

November 22, 1999

# Agenda

- Process Overview
- Approval of Committee Minutes
- Committee Final Reports to Workgroup
- Process Assessment / Critique
- Action Plan for ACC Rulemaking

# DGI PROCESS OVERVIEW

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DATE	EVENT	OUTCOME
June 28	Workshop	Spkr - S. McKinley Panel A - Local Exp. Panel B - Retail Comp. Issues Defined
August 30	Workgroup Mtg 1	Committees Formed Workscope Assgn Issues Assgn
October 4	Workgroup Mtg 2	Committee Reports
October 25	Workgroup Mtg 3	Spkr - S. Castelaz Committee Reports
November 22	Workgroup Mtg 4	Committee Reports Eval. / Critique Action Plan

# Workgroup Purpose

- Consider 6/28/99 DGI Workshop issues and related topics arising during investigation of Distributed Generation & Interconnections.
- Propose a framework for accommodating DGI applications in Arizona.

# Process Assessment / Critique

- Have committees adequately addressed assigned work scope and issues?
- Does a committee consensus exist for concepts & processes recommended?
- Are committees' recommendations complimentary or divergent?
- What has not received sufficient consideration?

# Action Plan: ACC Rulemaking

- Dec. - Assemble comments regarding DGI Workgroup process and committee report.
- Jan. - Advisory Committee addresses DGI process inadequacies or inconsistencies.
- Feb. - ACC Staff drafts & files DGI Rules.
- Mar. - Begin ACC Rulemaking.

# Committees

The DGI Workgroup will utilize the following committee structure to facilitate its investigation of the DGI topic:

- Siting, Certification and Permitting (SCP)
- Market Access, Metering and Dispatch (AMD)
- Interconnection Standards (IS)

# Time Frame for Tasks

- Each committee will complete its assigned tasks and provide a consensus committee report to the DGI Workgroup by December 1, 1999.
- Then the DGI Workgroup will draft regulatory language deemed necessary and appropriate for ACC consideration in the year 2000.

# Siting, Certification & Permitting Committee Work Scope

- Identify thresholds for which siting is a public issue regarding:  
Air Quality, Fuel Supply, Noise, Safety
- Establish how thresholds are affected by: Type of Unit, Unit Size,  
Location of Project, Intended Operational Uses,  
Residential vs. Commercial Applications
- Recommend circumstances warranting training, certification or licensing of  
personnel or pre-certification of distributed generation system packages.
- Recommend a standardized application process and required information.
- Recommend jurisdiction appropriate for each siting, certification and  
permitting issue.

# Market Access, Metering & Dispatch Committee Work Scope

- Develop framework for DG customers accessing the energy market to:
  - Supplement self-provided energy with purchases from ESPs
  - Sell excess energy to others
  - Contribute to ancillary services requirements
- ID scheduling and accounting means for the above transactions so system constraints are not exceeded.
- ID conditions where CAO needs dispatch control over customer's DG unit.
- Consider system disturbance management in the presence of DG units.
- ID technical requirements associated with the above functions.
- ID when system benefits or stranded cost may warrant pricing consideration.
- Develop tariff concepts that facilitate the above transactions.

# Interconnection Standards Committee Work Scope

- Research national, industry and regulatory interconnection standards.
- Recommend standards for Arizona to reference and adopt for interconnection of small, medium and large DG units considering:
  - Type of proposed generating unit
  - System voltage class of interconnection
  - Parallel vs. islanded generator operation
  - Inverter vs. Synchronous connection of units
- ID when site specific interconnection requirements should be considered.
- Recommended interconnection standards should address the following:
  - Safe construction, maintenance, and operational practices
  - Power quality impacts
  - System reliability impacts
- Coordinated management of / response to disturbances