

Draft Agenda (4/18/2011)
Rule 21 Working Group Workshop, April 29, 2011

In the ten years since Rule 21's last reform, utilities in California have interconnected [75,000] distributed renewable energy generating systems. This enormous increase in volume has been accompanied by wide variation in output (ranging from serving only onsite load to wholesale exporters) system size (from 1 kW to 20 MW), and new metering and operating technologies. These changes, alongside California's ambitious renewable energy goals, have naturally focused marketplace and regulatory interest on the need for sound interconnection policy. Rule 21's technical standards and procedures must remain robust to serve as California's key distributed generation interconnection tariff.

The CPUC has learned of the problems set out below from utilities, generators, advocates, and customers. The CPUC has two objectives for this workshop:

- 1) Build consensus on the open and urgent issues affecting Rule 21 and the interconnection of DG resources.
- 2) Brainstorm outcomes that would resolve these issues and ensure Rule 21's ongoing viability.

Agenda

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| I. Overview – CPUC Staff | 10:00 – 10:30 AM |
| • Introductions | |
| • Housekeeping | |
| • Workshop objectives and scope | |
| • Problem statement | |
| II. Rule 21 Working Group Accomplishments, 2000-2008 | 10:30-11:00 AM |
| • Accomplishments and key items learned to carry forward | |
| III. Stakeholder Discussion and Feedback | 11:00 AM – 12:00 PM |
| 1. A basic presumption of Rule 21 is that generators interconnected under it will have no effects on the utilities' distribution systems. What specific issues are emerging in the marketplace that may be overtaking this presumption? | |
| a) Volume-related: Is the volume of either customer-side or system-side applications leading to system effects? What publicly posted queue information would be helpful to IOUs and customers? | |

b) Cost-related: What trends are emerging in the cost of distribution system upgrades as the volume of DG is growing? As Rule 21 now serves 20,000 simplified customer interconnections annually, should certain costs be tracked? Should the definitions of shared assets (where upgrade costs are borne by all ratepayers) and customer-specific assets (where the customer bears costs) be altered? If Rule 21 should contain a cost allocation methodology, what principles should guide it?

c) Study-related: What trends are emerging in the volume and electrical interdependence of Rule 21 applications that point to the need for changes to the Rule 21 study process, such as defined timelines or methodology? Is coordination with CAISO needed? Is coordination with each IOU's WDAT study needed?

d) Export-related: If wholesale exporting systems are to be interconnected to IOU distribution systems under Rule 21, how should the technical screens be adapted? Can a standard interconnection agreement be developed for the new context of CAISO markets?

LUNCH

12:00 - 1:00 PM

IV. Stakeholder Discussion and Feedback

1:00 – 2:30 PM

1. Continue discussion from the morning session as needed.
2. In 2008, the Rule 21 Working Group identified dispute resolution as an issue. Is this an issue today?
3. The Commission requires language in Rule 21 tariffs to be consistent among IOUs and with state law. Have inconsistencies emerged since 2008 that need to be addressed?
4. At present, the California Energy Commission is not conducting certification for new DG technologies whose users could interconnect under Rule 21. Has a significant amount of new operating and metering technology come to the market that merits consideration for certification so that customers can interconnect using Rule 21?

V. Wrap-up

2:30 – 3:00 PM

Summary and Next Steps