

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

NOTICE OF PROPOSED RULEMAKING**RM40-2022-01-E, IN THE MATTER OF 15 DCMR CHAPTER 40 — DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES,**

1. The Public Service Commission of the District of Columbia (Commission) hereby gives notice, pursuant to Sections 34-802 and 2-505 of the District of Columbia Code,¹ of its intent to amend Chapter 40 (District of Columbia Small Generator Interconnection Rules), of Title 15 (Public Utilities and Cable Television) of the District of Columbia Municipal Regulations (DCMR), in not less than thirty (30) days after publication of this Notice of Proposed Rulemaking (NOPR or Notice) in the *District of Columbia Register*.

2. The purpose of this rulemaking is to amend Section 4005 (Level 2 Interconnection Reviews), Subsection 4005.6, to add a new paragraph (d) to address electric distribution system upgrade costs related to the interconnection of customer-generators for the purposes of net energy metering. Customer-generator and net energy metering shall have the same meaning as defined in 15 DCMR § 999. Recently, the Commission received complaints related to distribution system upgrade costs to be paid by the customer-generator in order to interconnect with the electric distribution system. The interconnection of most customer-generators does not require distribution system upgrades and are interconnected through a fast-track process. However, there are some customer-generators that may require upgrades to the electric distribution system for which the interconnection customer is responsible. The Commission is concerned that without some relief to the customer-generator interconnection customer, the upgrade costs could create a barrier to the continued interconnection of small generator facilities, thus impacting the District reaching its 2032 goal of 100% renewable energy portfolio standard with not less than 5.5% from solar energy.² The proposed addition of Rule 4005.6(d) will treat the customer-generator upgrade costs in a similar manner to that of Community Renewable Energy Facility (CREF) system upgrade costs. Additionally, the proposed Rule 4005.6(d) will establish reporting that will assist the Commission in further review of the overall costs and benefits associated with the electric distribution system upgrades.

Chapter 40, DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES of Title 15 DCMR, PUBLIC UTILITIES AND CABLE TELEVISION, is amended to read as follows:

Section 4005, LEVEL 2 INTERCONNECTION REVIEWS, Subsection 4005.6, is amended to add a new paragraph (d) to read as follows:

(d) **The EDC shall design, procure, construct, install, and own any Distribution System Upgrades for a Customer-Generator for the**

¹ D.C. Official Code § 34-802 (2019 Repl.); § 2-505 (2016 Repl.).

² D.C. Official Code § 34-1432(c)(22) (2019 Repl.).

purposes of Net Energy Metering. Customer-Generator and Net Energy Metering shall have the same meaning as set forth in 15 DCMR § 999. The Distribution System Upgrades costs shall be allocated as follows, subject to availability of funding.

- (1) The total Distribution System Upgrade costs for shared allocation as described in Subsection 4005.6 (d) (2) shall be capped at \$1,000,000 per calendar year or as otherwise determined by the Commission.
- (2) If funding is available, Distribution System Cost Upgrades shall be allocated as follows:
 - (A) Fifty percent (50%) of the costs shall be paid for by the Customer-Generator Interconnection Customer and fifty percent (50%) of the costs paid for by the EDC up to \$5,000 per project.
 - (B) Any costs exceeding the \$5,000 EDC cost cap shall be paid for by the Customer-Generator Interconnection Customer.
- (3) The EDC shall provide quarterly reports, in pdf and excel sheet with formulas intact formats, to the Commission containing the information in paragraphs (A)-(E) within thirty (30) calendar days of the close of each quarter.
 - (A) The total costs of Distribution System Upgrade expenses incurred;
 - (B) Total number of Distribution System Upgrade projects completed, including a breakdown of individual project costs and the DC/AC capacity of the installed system;
 - (C) A detailed explanation of the reason for each Distribution System Upgrade—to include whether the Distribution System Upgrade would have occurred at a later date and the timing for such an upgrade—and the extent to which the Distribution System Upgrade will benefit other neighboring customers;
 - (D) The total contribution by the EDC; and
 - (E) The total contribution by the Customer-Generator Interconnection Customers including a break down by project.

3. Any person interested in commenting on this proposed rulemaking action may submit written comments, not later than thirty (30) days after publication of this Notice in the *District of Columbia Register*. Comments are to be addressed to Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington, D.C. 20005 and are to be submitted electronically through the Commission's website at https://edocket.dcpsec.org/public/public_comments. Copies of the proposed rules may be obtained by visiting the Commission's website at www.dcpsec.org. Persons with questions concerning this Notice should call (202) 626-5150 or send an email to psc-commissionsecretary@dc.gov.