

PUBLIC COMMENTS

Date/Time Sent: Aug 8 2022, 4:53PM

To: Brinda Westbrook-Sedgwick, Commission Secretary

Fullname:	Stephanie Johnson
City, State, Zip:	Washington, DC, 20044
Email Address:	sjohnson@chessa.org
Company Name:	Chesapeake Solar and Storage Association

What is your position regarding the issues identified in the procedural schedule for this case? Mixed



PUBLIC COMMENTS

Public Comments:

August 8, 2022

By Electronic Filing

Ms. Brinda Westbrook-SedgwickCommission SecretaryPublic Service Commission of the District of Columbia1325 G Street, N.W., Suite 800 Washington DC, 20005

Re: RM-48-2022-01, In the Matter of 15 DCMR CHAPTER 48 — Microgrid Rules

Dear Secretary Westbrook-Sedgwick:

Enclosed please find the comments of the Chesapeake Solar and Storage Association ("CHESSA") on the Notice of Proposed Rule Making in the matter of 15 DCMR Chapter 48 — Microgrid Rules. Please feel free to contact me with any questions regarding this filing.

Sincerely,

Stephanie JohnsonExecutive DirectorChesapeake Solar and Storage Association

BEFORE THE PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF 15 DCMR CHAPTER 48 : – MICROGRID RULES : RM48-2022-01 COMMENTS

Pursuant to the Public Service Commission of the District of Columbia's ("PSC" or the "Commission") July 8, 2022 Notice of Proposed Rulemaking ("NOPR"), the Chesapeake Solar and Storage Association ("CHESSA") respectfully submit the following comments on the Commission's proposed rules for Chapter 48 (Microgrid Rules) of Title 15 (Public Utilities and Cable Television) of the District of Columbia Municipal Regulations ("DCMR"). CHESSA appreciates the opportunity to comment on the NOPR.

·I. INTRODUCTION

Founded in 1984, the Chesapeake Solar and Storage Association ("CHESSA") represents businesses that develop and install solar power and energy storage in Maryland, Virginia and the District of Columbia. Originally named the Maryland-DC-Virginia Solar Energy Industries Association (MDV-SEIA), CHESSA advances policy and regulations that build a robust and equitable solar and storage market in the region.



PUBLIC COMMENTS

CHESSA is an independent 501(c)6 organization and a recognized state affiliate of the Solar Energy Industries Association.

CHESSA members are involved in every facet of the solar industry. Our members design, sell, integrate, install, maintain, and finance solar energy equipment for residential, commercial, industrial, and institutional customers in Washington D.C. and throughout the region. Among our ranks are the accountants, attorneys, builders, architects, electricians, plumbers, developers and consultants who together form the foundation of solar in the District. CHESSA represents sole proprietors and publicly traded companies alike, and drives value to the residential, commercial, industrial, community and utility-scale sectors.

The Chesapeake Solar and Storage Association seeks to strengthen the market for solar energy in the District of Columbia and reduce barriers to adoption of solar energy by District residents. CHESSA members commit to industry best practices and responsible community development, and CHESSA strives to advance comprehensive, equitable policy in the District. To this end, CHESSA supports the Commission in its efforts to establish rules regarding the operation of microgrids and their connection to the District's electric grid. Microgrids can provide climate, resilience, and economic benefits for their customers as well as the District's larger grid and its customers, as well.

·II. COMMENTS

The Chesapeake Solar and Storage Association recommends making the following changes to the proposed microgrid rules:

1) Require that microgrid applications demonstrate they utilize renewable energy to the maximum extent practicable.

Although microgrids may offer some resilience and economic benefits without primarily relying on renewable energy, the Commission should not adopt a policy that allows polluting microgrids to proliferate in the District. At the least, the Commission should require that each microgrid applicant demonstrate that its plans show utilization of renewable energy to the maximum extent practicable. The Commission should also ensure that its rules allow it to deny or require reasonable modifications to microgrid applications that do not support the District's long-term climate commitments.

2) Clarify that the electric distribution company cannot own generation assets or microgrids.



PUBLIC COMMENTS

The electric distribution company (EDC) is statutorily barred from owning generation assets, and microgrids include generation assets in the form of distributed energy resources (DERs).[1] However, section 4800.1 of the proposed rules states, "This chapter shall not apply to Microgrids owned and/or operated by the Electric Distribution Company." As microgrid ownership by the EDC is barred, CHESSA recommends removing this sentence, as otherwise it is likely to cause confusion.

3) Do not regulate multiple customer microgrids as EDCs.

Section 4806.1 of the proposed rules states: "A Microgrid Operator overseeing the operation of a Multiple Customer Microgrid . . . shall be considered an Electric Distribution Company and shall comply with all rules, regulations, standards, and orders applicable to an Electric Distribution Company, as defined by D.C. § 34-207." Because EDCs may not own generation assets, CHESSA recommends establishing an alternative framework for regulation of multiple customer microgrids. Further, due to the greater community independence and choice they offer, multiple customer microgrids serving a community should not be regulated in the same way as an EDC—particularly if they are community-owned. Communities electing to participate in a microgrid are not made up of "retail electric customers" in the sense envisioned by the drafters of the Retail Electric Competition and Consumer Protection Act of 1999,[2] when only one electricity distribution model was understood. Microgrid customers will have much greater choice, opportunities for participation, and possibly even ownership in their electric production and distribution than other retail electric customers in the District. CHESSA recommends revision of the proposed rules to establish multiple customer microgrids as a new generator-distributor category, regulated separately by the Commission.

4) Clarify that microgrids may sell excess electricity and grid services to the EDC.

As drafted, the proposed rules seem to indicate that microgrids may not sell excess electricity to the EDC. If a microgrid produces excess electricity, the Commission should not prohibit the microgrid from selling back to the electric company, particularly if that excess electricity is produced by renewable sources. Further, the proposed rules do not direct the EDC's tariff to include compensation for grid services provided by microgrids. CHESSA recommends that the Commission amend two provisions of the proposed rules to clarify that microgrids are able to sell excess electricity and ancillary services to the EDC.

In section 4802.1, at the end of the sentence stating that single-customer and single customer-campus



PUBLIC COMMENTS

microgrids "may provide Electric Service to building occupants but shall not sell or distribute excess Electric Service to other Persons," CHESSA recommends adding "provided, that the microgrids "may sell excess electric service to the Electric Distribution Company."

In section 4805.3, the Commission states "The Electric Distribution Company shall provide a tariff approved by the Commission for the Microgrid that includes rate schedules to cover standby or full service, as appropriate." After the phrase "standby and full service," CHESSA recommends inserting the phrase "excess electricity, and grid services". The EDC should propose "a tariff structure to enable a microgrid to receive reasonable compensation for its value in resiliency, power quality, islanding, grid reliability, and other ancillary services for the electric distribution system."[3]

5) Allow microgrids flexibility with regard to billing models and rates.

Microgrids are still in their infancy in the District, and each microgrid will look different due to the types of buildings, land use, and geographic conditions particular to the area in which it is established. Innovative billing and rate establishment methods make microgrids financially viable in cases or areas in which they otherwise might not be. CHESSA recommends that flexibility be preserved in the District's microgrid rules related to billing and rates, subject to Commission oversight. Related to this, CHESSA recommends revising two sections:

In section 4806.3(M) of the proposed rules, the Commission states that "[i]f a Multiple Customer Microgrid is unable to bill on a per-kWh basis, the Microgrid Owner or Microgrid Operator may request authorization from the Commission for an alternative payment structure." CHESSA recommends revising the introductory clause of this sentence to state "[i]f a Multiple Customer Microgrid is unable or does not prefer to bill on a per-kWh basis".

In section 4806.5 of the proposed rules, the Commission states that "Electric Service rates shall be project-specific cost-based rates supported by documentation and computed as the expected annual costs divided by expected sales." In the beginning of the sentence, CHESSA recommends that the phrase "shall be project-specific" be revised to "shall include project-specific."

6) Require the electric distribution company to respond to microgrid interconnection requests within reasonable, specific timeframes, require microgrid interconnection requirements to be "reasonable," and provide a process to resolve issues that arise during the interconnection process.



PUBLIC COMMENTS

The rules reference a "microgrid interconnection agreement" in multiple places; however it is not defined, and no process is established for obtaining such an agreement from the EDC or resolving issues that may arise during the process. To prevent unreasonable delays in microgrid permitting, CHESSA recommends establishing specific timeframes for the EDC to respond to microgrid interconnection requests, and providing that all interconnection requirements for microgrids must be "reasonable." Adding a reasonableness requirement would probably be best as an independent provision; however, it should at least be added wherever interconnection requirements are authorized. For example, the word "reasonable" should be inserted before the phrase "requirements established by the Electric Distribution Company" in section 4803.3 of the proposed rules. Adding a "reasonable" requirement for interconnection requirements and requiring response to interconnection process in a reasonable timeframe will allow the Commission to establish an interconnection issue resolution process through which an applicant could seek Commission input to resolve problems, guide policy, and prevent delays in microgrid interconnection approvals by the EDC.

1.CONCLUSION

The District's public policy, climate commitments, and comprehensive energy plan require the expansion of solar and distributed renewable energy resources on the grid. Microgrids can increase renewable energy production and storage in the District, and they can greatly increase energy resilience. This NOPR has the potential to allow communities and companies that wish to establish a microgrid in the District certainty in the process, greatly increasing the likelihood that microgrids may be built. CHESSA commends the Commission for moving forward with these rules, and appreciates the opportunity to submit these comments. Respectfully submitted,

Stephanie JohnsonExecutive DirectorChesapeake Solar and Storage Association

D.C. Code §34-1513(a) (2000).
D.C. § 34-207
PSC Order 21172, paragraph 19, Formal Case 1163,.



ACKNOWLEDGEMENT OF PUBLIC COMMENTS

Date:	Aug 16 2022, 7:19AM
Fullname:	Stephanie Johnson
City, State, Zip:	Washington, DC, 20044
Email Address:	sjohnson@chessa.org
Company Name:	Chesapeake Solar and Storage Association
Docket Number:	RM48-2022-01-E - 7

Thank you for your submission of comments regarding RM48-2022-01-E. Your comments have been docketed in the case and are available on our website, www.dcpsc.org.

Regards,

Buile Dethort . Sedgevich

Brinda Westbrook-Sedgwick Commission Secretary (202) 626-5150