DG Interconnection Approval Process

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Saving money and protecting the environment by advancing energy efficiency in the utility, buildings, industrial, and transportation sectors
Overview

- Benefits of CHP
- Need for interconnection standards
- Screening requirements and supplemental review;
- Pre-application reports;
- Updates to the standards
CHP Saves Energy

Traditional System

Power Plant

Boiler

~50% Efficiency

CHP System

Electricity

Heat

~75% Efficiency

CHP
CHP Benefits

For customers:
- Energy cost savings
- Improved reliability
- Reduced carbon footprint

For utilities:
- Reduce grid constraints during system peaks
- Achieve energy efficiency resource standard goals
- Achieve Clean Power Plan goals
Importance of Interconnection Standards

- 35 out of 50 states have interconnection standards
- AZ has a strong market for solar and CHP and needs a state-wide standard
- The draft rules are a good start but need to be updated based on best practices from other states
Screening Requirements

- Fast Track Eligibility and Screening tests should follow IREC 2013 Model Interconnection Procedures
- Supplemental Review process should be clarified
Pre-Application Reports

- **What it is:** Description of system conditions at proposed point of interconnection

- **Why it’s helpful:**
  - For the applicant: learn about system conditions at proposed point of interconnection before submitting a full application
  - For the utility: reduce volume of full applications
United States transmission grid
Source: FEMA
Updates to the Standards

- Standards may require periodic updates - with Commission approval
- Technical Working Group – meet quarterly or as needed to discuss technical issues, proposed updates