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VIA ELECTRONIC FILING

Attention: Filing Center
Public Utility Commission of Oregon
P.O. Box 1088
Salem, Oregon 97308-108

**Re: AR 659 - In the Matter of Rulemaking to Update Division 82 Small Generator
Interconnection Rules and Division 39 Net Metering Rules**

Attention Filing Center:

Attached for filing in the above-captioned docket is Joint Utilities' Opening Comments
Regarding Proposed Division 39 and Division 82 Rules.

Please contact this office with any questions.

Thank you,

Tanya Young
Office Manager

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 659

In the Matter of

Rulemaking to Update Division 82 Small
Generator Interconnection Rules and
Division 39 Net Metering Rules.

**JOINT UTILITIES' OPENING
COMMENTS REGARDING PROPOSED
DIVISION 39 AND DIVISION 82 RULES**

I. INTRODUCTION

1 Portland General Electric Company (PGE), PacifiCorp dba Pacific Power (PacifiCorp),
2 and Idaho Power Company (Idaho Power) (together, the Joint Utilities) offer these comments
3 regarding the proposed revisions to the Division 39 and Division 82 rules (Proposed Rules). The
4 Joint Utilities appreciate the significant effort Public Utility Commission of Oregon (Commission)
5 Staff and stakeholders put into developing the Proposed Rules. Beginning in July 2022,
6 stakeholders participated in numerous workshops and meetings and exchanged several rounds of
7 comments. Through the informal process, stakeholders increased their understanding of the
8 technical issues addressed in the rules and compromised to achieve consensus regarding the
9 majority of the changes in the Proposed Rules. The consensus changes will modernize the
10 Commission's rules and allow more generators to interconnect more easily. The Commission
11 should adopt the Proposed Rules with only the limited, minor additional changes discussed in these
12 comments.

II. REQUESTED CHANGES TO DIVISION 39

13 The Joint Utilities request two substantive revisions to the Division 39 rules—both of
14 which stem from changes made late in the informal process that the Joint Utilities were able to
15 review either only quickly or not at all.

1 First, the Joint Utilities propose deleting OAR 860-039-0030(11), which is present in the
2 existing rules,¹ and provides that an applicant that is denied Level 1 review because it does not
3 meet the applicable requirements may resubmit under Level 2 or Level 3.² The Joint Utilities note
4 that this provision was absent from drafts of the Division 39 rules circulated at the end of the
5 informal process and may have been re-inserted into the rules by mistake. However, if its addition
6 was intentional, this provision is duplicative of, and inconsistent with, proposed OAR 860-039-
7 0030(6), which describes in detail the process after screen failure. Under proposed OAR 860-039-
8 0030(6), the applicant may proceed to the new Supplemental Review process or request that the
9 utility evaluate the application under Tier 4. The Joint Utilities support the policies embodied in
10 proposed OAR 860-039-0030(6) and recommend deleting proposed OAR 860-039-0030(11) to
11 avoid redundancy, inconsistency, and the potential for confusion.

12 Second, the Joint Utilities request that the Commission add language regarding approval
13 with minor modifications to the Division 39, Tier 2 rule, proposed OAR 860-039-0035. At the
14 end of the informal process, Staff removed the provision then-identified as proposed OAR 860-
15 039-0035(c)³ after IREC stated that the language was redundant of the new Supplemental Review
16 process. After a quick review, the Joint Utilities indicated that they neither supported nor objected
17 to the removal of this provision. However, upon further review, the Joint Utilities are concerned

¹ OAR 860-039-0030(8).

² The existing Division 39 rules refer to “Levels,” whereas the proposed Division 39 rules use the term “Tier” for consistency with the Division 82 rules.

³ The deleted provision read: “The net metering facility failed to meet one or more of the applicable requirements, but additional review may enable the public utility to determine that the net metering facility may be interconnected consistent with safety, reliability, and power quality. In such a case, the public utility will offer to perform additional review to determine whether minor modifications to the electric distribution system would enable the interconnection to be made consistent with safety, reliability and power quality. The public utility will provide to the applicant a nonbinding, good faith estimate of the costs of such additional review, or such minor modifications, or both. The public utility will undertake the additional review or modifications only after the applicant consents to pay for the review or modifications, or both;”

1 that, as revised, the Tier 2 net metering rules do not provide the utility with the ability to approve
2 an application with only minor modifications without undergoing the full Supplemental Review
3 process. Notably, this option is present in Tier 1 of the proposed Division 39 rules and in Tiers 1,
4 2, 3, and 4 of the proposed Division 82 rules.⁴ For consistency and to provide optionality, the Joint
5 Utilities recommend that the Commission add the following language from the Division 39 Tier 1
6 Rule to the Division 39 Tier 2 rule (proposed OAR 860-039-0035(3)):

7 (c) If the public utility determines that the customer-generator can be
8 interconnected safely if minor modifications to the transmission or
9 distribution system were made (for example, changing meters, fuses, or
10 relay settings), then the public utility must offer the applicant a good-faith,
11 non-binding estimate of the costs of such proposed minor modifications.
12 Modifications are not considered minor under this subsection if the total
13 cost of the modifications exceeds \$10,000. If the applicant authorizes the
14 public utility to proceed with the minor modifications and agrees to pay the
15 entire cost of the modifications, then the public utility must approve the
16 application.

III. MINOR CORRECTIONS AND REVISIONS FOR CLARITY

17 The Joint Utilities propose the following minor clean-up and clarifying revisions to the
18 Division 39 rules:

- 19 • OAR 860-039-0020(1)(b). The reference to “UL 1741 Inverters, Converters, and
20 Controllers for Use in Independent Power Systems (January 2001)” should be updated to
21 “UL 1741, Third Edition, Supplement SB,” which is consistent with the updated reference
22 to UL 1741 in the Division 82 rules.⁵ If a date reference is desired, the date should be
23 “2021.”

⁴ Proposed OAR 860-039-0030(5)(b); Proposed OAR 860-082-0045(4); 0050(2)(c); 0055(5)(d); 0060(7)(l).

⁵ Proposed OAR 860-082-0030(1)(a)(C).

- 1 • OAR 860-039-0020(2) and 0020(4). The references to “NTRL” should say “NRTL.”
- 2 • OAR 860-039-0025(3). The reference to “lower level” should say “lower tier” because the
- 3 rules now use three tiers of interconnection review.
- 4 • OAR 860-039-0030(1)(b). The Joint Utilities recommend that the defined term “generation
- 5 capacity” be used instead of simply “capacity” to avoid the potential for confusion. This
- 6 change would align the Division 39 and Division 82 rules, because the Division 39 rules
- 7 define “generation capacity” as “the nameplate capacity” and the analogous Division 82
- 8 rule uses “nameplate capacity.”
- 9 • OAR 860-039-0030(11). All references to “Levels” should be changed to “Tiers” if this
- 10 provision is retained, but as discussed above, the Joint Utilities recommend deleting this
- 11 provision.
- 12 • OAR 860-039-0010(1) & (2), 860-039-0070(2)(b) and 860-039-0075. The references to
- 13 “generating capacity” in each rule should be changed to “generation capacity,” which is
- 14 the new defined term.⁶

15 The Joint Utilities propose the following minor clean-up and clarifying revisions to the

16 Division 82 rules:

- 17 • OAR 860-082-0045(7), OAR 860-082-0050(6), and OAR 860-082-0055(6) all refer to a
- 18 “net metering facility” but should refer to a “small generator facility.”

⁶ The Joint Utilities note that these rules are not included in the Notice of Proposed Rulemaking.

- 1 • OAR 860-082-0045(d). The phrase “or area network’s” should be removed because Staff
2 and stakeholders agreed this screen should not apply to an area network and removed all
3 other references to “area network” in this provision.
- 4 • OAR 860-082-0060(7)(f). The Joint Utilities suggest rephrasing for clarity: “To assess
5 fault current contribution, the system impact study must use the rated fault current if the
6 customer provides the relevant information or provide a written explanation for cases
7 where **the utility does** ~~they do~~ not want to rely on customer-provided data.”

IV. LEGACY DATA UPDATES

8 Staff proposes that the Commission order in this docket require the Joint Utilities to update
9 their records to include the export capacity (in alternating current, or AC) of already interconnected
10 generators in addition to the nameplate capacity (in direct current, or DC). As background, the
11 Joint Utilities already have documented the AC capacity of most—if not all—small generator
12 facilities, and the AC capacity should reflect the export capacity in most cases. However, the Joint
13 Utilities did not historically document net metering customers’ export capacity (in AC); rather, the
14 utilities tracked the nameplate capacity of net metering facilities in DC. The Joint Utilities’
15 historical approach is consistent with and required by the existing Division 39 rules.⁷

16 Each of the utilities is differently situated with respect to the number of existing generators
17 whose information would need to be reviewed and updated and the process that the utility would
18 need to undertake to identify the export capacity and update it in the appropriate system(s).

⁷ OAR 860-039-0005(3)(i) defines “generation capacity” as the “nameplate capacity of the power generating device(s). *Generation capacity does not include the effects caused by inefficiencies of power conversion or plant parasitic loads.*” (emphasis added).

1 However, recognizing that this process would be extremely burdensome for some utilities and
2 would provide limited value for many feeders, the Joint Utilities proposed that they would only
3 update the information for all generators on a feeder when they received a request to interconnect
4 to that feeder and the existing generation-to-load ratio on the feeder suggested that converting the
5 existing generators could free up capacity and permit interconnection of a new generator that might
6 otherwise fail the relevant screens. The Joint Utilities offered this proposal in lieu of a full
7 conversion to balance the amount of effort, time, and expense required to convert historical data
8 with the value that would be provided by the effort.

9 Taking a different approach, Staff recommends that the utilities both undertake the targeted
10 conversion of feeders that meet specific criteria on a rolling basis, upon receiving a request to
11 interconnect to that feeder, *and* convert all historical generators for which the utilities have
12 information available within one year from the Commission order adopting the new rules. Given
13 that Staff and stakeholders continue to recommend that all feeders be converted, the Joint Utilities
14 are willing to undertake this comprehensive effort. However, the Joint Utilities offered the
15 targeted conversion effort as an alternative to the full conversion and object to being required to
16 convert certain feeders on a more expedited basis while simultaneously undertaking a full
17 conversion. Reviewing certain feeders more quickly will complicate the overall conversion effort
18 and will likely slow it down. Therefore, the Joint Utilities propose that the Commission simply
19 require them to complete the conversion for all feeders by a date certain.

20 While Idaho Power and PGE believe that they can meet the one-year timeline proposed by
21 Staff, PacifiCorp assessed how long it would take to complete the conversion and determined that
22 it will require additional time. PacifiCorp has approximately 17,000 applications that will need to
23 be updated, which will take approximately 2,142 hours to complete. A primary driver for the

1 amount of work is that PacifiCorp has a significant number of applications that are not available
2 in PowerClerk and, therefore, must be physically reviewed to complete the conversion. A full-time
3 employee working 40 hours per week could spend 2,080 hours on this conversion. However,
4 PacifiCorp does not have an employee who can solely work on this conversion. Moreover,
5 realistically the work to complete the conversion will need to be balanced with other work, such
6 as processing interconnection applications and processing requests for net metering installations.
7 Therefore, PacifiCorp respectfully proposes the Commission allow 18 months to complete the
8 conversion.

V. CONCLUSION

9 The Joint Utilities respectfully request that Commission adopt the Proposed Rules with the
10 minor revisions discussed in these comments, and for the legacy data updates, require only that
11 the utilities complete the full conversion by a date certain, allowing 18 months for PacifiCorp.

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