Best Practices in Net Metering and Interconnection

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IREC

501(c)(3) non-profit working to promote the sustainable development of renewable energy
Current projects:

- Net metering rules and Interconnection standards
- Third-party ownership of renewable energy resources
- Community renewable power policies
- Development of wholesale/retail markets for renewable energy
- Smart Grid, intersection of PEV’s and renewables, and integration of storage
- Workforce training and development for the renewables industry

Represented by Keyes, Fox & Wiedman LLP
Overview of Today’s Talk

1. Importance of Net Metering and Interconnection

2. Overview of this Project & Current Scoring in Freeing the Grid 2012

3. Recommendations for Improving Net Metering Policies

4. Recommendations for Improving Interconnection Procedures

5. Further Information & Resources
Importance of Net Metering & Interconnection

Figure 2: Framework for evaluating the costs and benefits of NEM

<table>
<thead>
<tr>
<th></th>
<th>Utility / Ratepayers</th>
<th>NEM Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Costs</strong></td>
<td>Bill credits</td>
<td>Increased Operational Costs</td>
</tr>
<tr>
<td><strong>Benefits</strong></td>
<td>Bill credits</td>
<td>Avoided Costs transfer</td>
</tr>
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Figure 3 helps illustrate NEM costs and benefits for a residential customer with solar PV. The figure shows, for a 24-hour period, the gross consumption the customer would have had without the PV, PV output, and net consumption.

Figure 3: PV production and net load for a sample residential NEM customer.
Freeing the Grid
Overview of *Freeing the Grid*

*WI’s Current FTG Scoring*

Key question: What can be done to improve net metering and interconnection in Wisconsin?

Net Metering:  
- C (2010)
- D (2011)
- D (2012)

Interconnection:  
- D (2010)
- C (2011)
- C (2012)
Recommendations for Improving Wisconsin’s Net Metering Policies

Primary Recommendations:

1. Increase statewide net metering system cap to at least 500 kW
2. Provide indefinite rollover of excess generation credits at the retail rate
3. Protect net metering customers from the imposition of standby charges or access fees

Secondary Recommendations:

1. Adopt uniform net metering standards that apply to all electric service providers statewide
2. Allow third-party ownership of net metered systems
3. Clarify that customer-generators retain the renewable attributes (RECs) associated with on-site generation
4. Allow aggregate net metering for farms and businesses under common ownership.
Recommendations for Improving Wisconsin’s Interconnection Procedures

**Primary Recommendations:**

1. Adopt uniform interconnection standards throughout the state
2. Adopt the FERC’s technical screens as part of an expedited interconnection process
3. Prohibit external-disconnect-switch requirements for inverter-based generators below 10kW

**Secondary Recommendations:**

1. Prohibit additional insurance requirements
2. Reduce interconnection process timelines to at least the FERC standards
3. Remove system size limit so state-level interconnection procedures cover all state jurisdictional interconnections
4. Institute informal process for interconnection disputes
Further Information & Resources


IREC’s Connecting to the Grid: http://bit.ly/connecting_to_the_grid

2012 Freeing the Grid: www.freeingthegrid.org


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