

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

The Citizens Utility Board and	)	
The Environmental Law and Policy	)	
Center.	)	
	)	
Petition to Initiate Rulemaking With	)	Docket No. 14-0135
Notice and comment for Approval	)	
of Certain Amendments to Illinois	)	
Administrative Code Parts 466	)	
and 467 Concerning Interconnection	)	
Standards for Distributed Generation	)	

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**STAFF SUPPLEMENTAL VERIFIED REPLY COMMENTS**

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NOW COMES the Staff of the Illinois Commerce Commission ("Staff"), by and through its attorneys, and pursuant to Section 200.800 of the Illinois Administrative Code, (83 Ill. Adm. Code 200.800), and the schedule set by the Administrative Law Judge's ("ALJ") April 9, 2015 ruling, respectfully submits its Supplemental Verified Reply Comments in the above-captioned matter.

**I. Introduction**

The Citizens Utility Board ("CUB"), Environmental Law & Policy Center ("ELPC"), and Interstate Renewable Energy Council, Inc. ("IREC") (jointly, the "Petitioners") contend that in order to prepare for increased applications to install distributed generation, it is necessary to update portions of Part 466 and portions of Part 467 of the Commission's rules for the electric interconnection of distributed generation facilities, 83 Ill. Admin. Code §466.10 *et seq.* and 83 Ill. Admin. Code §467.10 *et seq.* Petitioners, Staff, Commonwealth Edison Company ("ComEd"), and Ameren Illinois Company ("Ameren")

filed several rounds of Verified Comments. Attached to Staff's Initial Verified Comments is Staff's proposed amended Part 466 (Attachment A), which incorporated many of the Petitioner's proposals but contained distinct Staff proposals also. Staff continues to support the language proposed in its Attachment A.

The ALJ issued a Proposed First Notice Order on March 4, 2015, which indicated that additional information was necessary in order to assist the Commission in development of the rule. Following a motion brought by Staff, the ALJ issued a ruling and a notice setting a schedule for supplemental comments. Staff filed Supplemental Verified Comments which responded primarily to the questions and comments directed to Staff in the Proposed Order issued on March 4, 2015. Staff reserved the right to address any Sections not addressed in its Supplemental Verified Comments in these Supplemental Verified Reply Comments. Ameren, ComEd, and Petitioners also filed Supplemental Verified Comments on May 20, 2015.

Below is Staff's response to some of the supplemental comments filed pursuant to the ALJ's April 9 ruling. Staff will not comment on every item addressed in each of the parties' supplemental comments. Staff's silence on an issue should not be construed to indicate agreement with, approval of, or disagreement with those comments.

## **II. Need for the Amendments**

The ALJ requested information concerning how much distributed generation interconnection activity there is in Illinois, presumably to gauge the need for the reforms that the Joint Petitioners recommend. Both ComEd and Ameren responded with information about the number of applications and installations by review level and by generation type. (ComEd Supp. Ver. Comments, 2; Ameren Supp. Ver. Comments, 1-

3.) The responses by ComEd and Ameren indicate that the demand for interconnection is growing moderately (Id.); however, it does not appear to Staff that the applications for interconnection are overwhelming the current interconnection processes. On the other hand, the Petitioners point to national trends that show geometric growth in solar installations. (Petitioners Supp. Ver. Comments, 5-6.) Petitioners assert that this data indicates that distributed generation (“DG”) is approaching a tipping point. Id.

The data provided by ComEd and Ameren does not indicate to Staff that Parts 466 and 467 are inadequate to govern current application and installation levels. In addition, Staff is not certain that growth in DG interconnection will reach a tipping point before new rules can be promulgated and approved.

While Staff believes the evidence does not show that the amendments to Parts 466 and 467 are imminently required, Staff believes that the Commission can reasonably find that many of the proposed amendments are in the public interest at this time. Most of the proposed changes have been derived through consensus and thus would likely improve DG interconnection processes and rules.

### **III. Section 466.70(h) – External Disconnect**

The Petitioners pointed out in their Supplemental Verified Comments that the EDCs did not provide data on how often they accessed/used an external disconnect switch (“EDS”). (Petitioners Supp. Ver. Comments, 9.) ComEd and Ameren reported that they do not currently gather that data. (ComEd Supp. Ver. Comments, 5; Ameren Suppl. Ver. Comments, 5.) In short, the Commission has no more information than it had before the parties filed supplemental comments. Thus, the Commission must evaluate

this issue upon the arguments put forth by the parties in their various comments, without reliance upon empirical information.

Staff continues to support its previously held position that the rules should grant EDCs the flexibility to require an EDS after it has confirmed that an adequate means of disconnecting the DG facility does not already exist. (Staff Supp. Ver. Comments, 2-4.) Both ComEd and Ameren reiterate that they are responsible for the safety of both the public and their workers, as well as the reliability of the grid. (ComEd Supp. Ver. Comments, 5; Ameren Supp. Ver. Comments, 5.) ComEd and Ameren also argue that they should have the ability to require an EDS. Id. Staff believes that considerations of safety of utility workers, the general public, and reliability of the grid outweigh the Petitioners' argument that the elimination of the EDS requirement is necessary, simply to be consistent with the current practices of utilities outside Illinois. (Petitioners Supp. Ver. Comments, 8.) Further, Petitioners request that if the Commission is not inclined to eliminate the EDS requirement, the Commission should require the utilities to pay the additional cost and file annual reports tracking the information as to how often an EDS is required, why it is needed, how often it is used, and for what reason. Id. at 9-10. Staff urges the Commission to reject this proposal. A requirement to have the EDC pay the cost of the EDS is the equivalent of allocating that cost to all of the EDC's ratepayers. Given that the EDS is one more element of the interconnection, there is no justification for requiring all ratepayers to pay for an EDS for an individual customer's location.

Staff's proposal on the matter of the EDS requirement (Staff Ver. Reply Comments, 4-5) remains the most balanced approach. It appropriately weighs the EDCs' need for the ability to isolate a DG facility from the distribution systems with the Petitioners' concern

that EDS unnecessarily impose additional costs to DG installations. By requiring the EDC first verify that an adequate means of disconnecting the DG facility does not already exist prior to requiring the customer install an EDS, the utilities can ensure the safety of their workers and the public as well as the reliability of the grid, and the Petitioners can be certain that unnecessary costs are not imposed upon DG installation.

Given the explanations above, Staff continues to support the modification to Section 466.70(h) that it previously proposed. (Staff Ver. Reply Comments, 5.) This proposal balances the Petitioners' concerns regarding the addition of unnecessary costs (Petitioners Ver. Reply Comments, 8) and the EDC's concerns regarding the ability to isolate its system from the DG facility (ComEd Initial Ver. Comments, 15; AIC Initial Ver. Comments, 4) and should be adopted.

#### **IV. Section 466.110(f) Supplemental Review**

As stated in Staff's Supplemental Comments, the parties disagree regarding certain screens Petitioners' propose within the Supplemental Review. (Staff Supp. Ver. Comments, 7.) Staff maintains that the best course for the Commission would be to leave the language of Section 466.100(f) unmodified in the updated rule.

The Level 2 Review currently includes a screen as to whether the DG load on a circuit exceeds 15% of maximum load. This is due, in part, to the fact that minimum load data historically has not been available. With the rollout of advanced metering infrastructure ("AMI"), this information will be more readily available. Petitioners claim that a more appropriate screen is 100% of minimum load. (Petitioners Initial Ver. Comments, 30-31). ComEd reports that it has 53 circuits with a DG load greater than 15% of maximum load. It has an additional 18 circuits between 5% and 15% of maximum

load. (ComEd Supp. Ver. Comments, 18.) Ameren, on the other hand, is not aware of any circuits with DG exceeding 15% of maximum load. (Ameren Supp. Ver. Comments, 8.)

ComEd continues to adamantly oppose 100% of minimum load as a supplemental review screen for a number of reasons. ComEd notes that there is little real world experience with the screen, which is why the Electric Power Research Institute and the National Electric Energy Testing, Research & Applications Center are researching the issue. (ComEd Supp. Ver. Comments, 8-13.) The main reason for the screen is to prevent islanding, which is a threat to both reliability and safety. Id. And even though lab-certified inverters are required to pass an anti-islanding test, it is not clear, according to a report cited by ComEd, that the protection is effective when multiple generators are present on a circuit. Id. A report authored by a consultant, Kinetrics, Inc., notes that for the same reason, additional precautions might be prudent. Id. at 13-14.

Finally, both ComEd and Ameren argue that minimum load is complicated to calculate, even if AMI data is available. (ComEd Supp. Ver. Comments, 10-11; Ameren Supp. Ver. Comments, 7.) Ameren further notes that its AMI installation is incomplete, will not cover its entire service territory, and it has not yet developed methods to estimate minimum loads using AMI data. (Ameren Supp. Ver. Comments, 7.)

The Petitioners, on the other hand, point out that its proposal gives EDCs the freedom to estimate minimum load as they see fit, but require the use of data if it is available. The Petitioners argue that there is a benefit to harmonizing Illinois' DG interconnection rules with other states' and FERC's rules. (Petitioners Supp. Ver. Comments, 10-12.)

Given the difficulty and disagreement surrounding how to estimate minimum load on a circuit, the availability of the data that allows its estimation, and the uncertainty that makes minimum load an effective screen under some conditions, Staff believes that there is little support for altering the current supplemental review process in Part 466. (Staff Supp. Ver. Comments, 6-7.) Further, the Level 2 review process within Part 466 is intended as an expedited process to be used for interconnections that satisfy various screens. Petitioners' proposed lengthy revisions to the Level 2 supplemental review process confound the very purpose of creating an expedited review process. Accordingly, Petitioners proposal should be rejected, and Section 466.110(f) should remain unchanged.

## **V. Conclusion**

WHEREFORE, the Staff of the Illinois Commerce Commission respectfully requests that its recommendations be adopted in their entirety consistent with the arguments set forth herein and in its previously filed verified comments.

Respectfully submitted,

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June 3, 2015

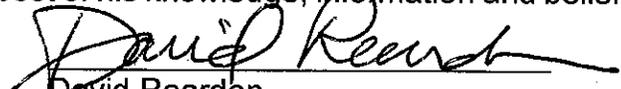
*Counsel for the Staff of the*

*Illinois Commerce Commission*

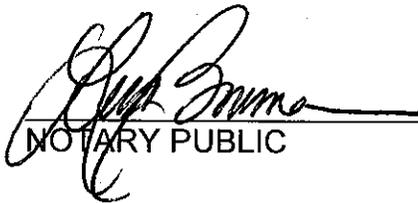
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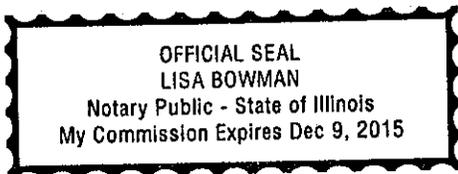
Docket No. 14-0135

David Rearden, on oath, states that he is employed by the Illinois Commerce Commission as a Senior Economist in the Policy Division; that he is authorized to make this Verification on behalf of the Staff of the Illinois Commerce Commission; that he has read the foregoing Staff Supplemental Verified Reply Comments and is familiar with the contents thereof; and that the matters set forth in the attached Staff Supplemental Verified Reply Comments are true and correct to the best of his knowledge, information and belief.

  
David Rearden

Subscribed and sworn to before me  
This 3<sup>rd</sup> day of June 2015.

  
NOTARY PUBLIC

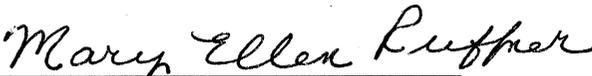


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Greg Rockrohr, on oath, states that he is employed by the Illinois Commerce Commission as a Senior Electrical Engineer in the Safety and Reliability Division; that he is authorized to make this Verification on behalf of the Staff of the Illinois Commerce Commission; that he has read the foregoing Staff Supplemental Verified Reply Comments and is familiar with the contents thereof; and that the matters set forth in the attached Staff Supplemental Verified Reply Comments are true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Greg Rockrohr

Subscribed and sworn to before me  
this 3rd day of June 2015.

  
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NOTARY PUBLIC

