

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INQUIRY INTO PURPA INTERCONNECTION STANDARD	DOCKET NO. NOI-06-4
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ORDER REQUESTING COMMENTS

(Issued December 31, 2008)

On August 8, 2005, the Energy Policy Act of 2005 (EPACT 2005) was signed into law. Among the many provisions of this federal legislation were five new federal ratemaking standards added to the Public Utility Regulatory Policies Act of 1978 (PURPA). The fifth of these new standards (commonly referred to as Standard 15), found in Section 211 of PURPA (16 U.S.C. 2621(d)), pertains to interconnection of distributed generation facilities. Standard 15 provides that all state utility commissions must consider and make a determination whether to adopt the standard. Standard 15, if adopted by the Utilities Board (Board), would require each rate-regulated utility to interconnect any customer's on-site generation (i.e., distributed generation) with the utility's local distribution facilities, based on Institute of Electrical and Electronics Engineers (IEEE) Standard 1547. Standard 15 also requires, among other things, the establishment of non-discriminatory practices and procedures that promote the best practices of interconnection of distributed generation.

The Board initiated a notice of inquiry on July 3, 2006, identified as Docket No. NOI-06-4, to consider Standard 15. On April 25, 2007, the Board issued an order fulfilling its PURPA requirements with respect to Standard 15 by partially adopting Standard 15 and declining to adopt Standard 15 in other respects; the Board continued the inquiry, apart from Standard 15, to consider other practices. The Board solicited comments on additional questions and issued draft model interconnection procedures for public comment. Comments were filed in June and July 2007 and supplemental comments were filed in January and February 2008. Additional supplemental comments were filed on December 24, 2008, in a joint filing by the Environmental Law and Policy Center (on behalf of itself and the Distributed Generation Coalition), MidAmerican Energy Company, and the Consumer Advocate Division of the Department of Justice. The participants filing these comments represent a broad spectrum of inquiry participants, including generators, utility customers, and a rate-regulated investor-owned utility.

The joint filing advocates the use of interconnection rules adopted by the Illinois Commerce Commission in August 2008 as a starting point for revising the Board's generator interconnection rules, rather than the draft model interconnection procedures issued by the Board for comment in its April 25, 2007, order. The joint comments indicate similar rules are being considered in South Dakota and indicates that adoption of similar rules by neighboring states will promote development of a regional renewable energy market. A copy of the Illinois rules is available on the Board's Web site, http://www.state.ia.us/government/com/util/docs/misc/20noi064_IL_Interconnection_Rules.pdf.

The Board will solicit comments from other inquiry participants on both how the Illinois rules could be adapted to Iowa and whether the Illinois rules should be adapted to Iowa. After reviewing both the new comments and the prior comments, the Board intends to initiate a rule making proceeding on generator interconnection practices.

IT IS THEREFORE ORDERED:

Comments may be filed on or before January 21, 2009, in response to the joint filing made by the Environmental Law and Policy Center, on behalf of itself and the Distributed Generation Coalition, MidAmerican Energy Company, and the Consumer Advocate Division of the Department of Justice. The comments should address both how the Illinois rules could be adapted to Iowa and whether the Illinois rules should be adapted to Iowa. The Illinois rules are available on the Board's Web site, http://www.state.ia.us/government/com/util/docs/misc/noi064_IL_Interconnection_Rules.pdf.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 31st day of December, 2008.