

Distributed Generation / Legacy Net Metering Stakeholder Process: Overview, Timeframe, and Goals

January 11, 2019



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- November 8, 2018 Order in U-20344 requires Staff to initiate stakeholder processes on the following:
 - Interconnection rules
 - Distributed generation & legacy net metering rules (DG LNM)
 - Establishment of a legally enforceable obligation under the Public Utility Regulatory Policies Act of 1978
 - Third party community renewable energy

- Rules will address relevant issues mentioned in the November 8, 2018 Order.
- Maximum amount of consensus without sacrificing content.
- MPSC Staff will consider input from all stakeholders.

- Meetings will be held every other month
- Expected to go from 1:30 to 3:30 pm
- Next meeting topics will be provided at the end.

- March 18, 2019, 1:30 – 3:30 pm: 2nd meeting
- May 29, 2019, 1:30 – 3:30 pm: 3rd meeting
- Potential for additional meeting/s to address cross cutting issues with other groups
- August 2019 – 2020: Formal rulemaking phase.
 - The DG LNM Rules will be submitted together with Interconnection and LEO to complete ruleset.

- Update Part 3 of Rule R460.640 – R460.646
 - Definition changes within Part 1
- Primary objectives:
 - Futureproofing!
 - Legacy Net Metering (10 year grandfathering)
 - Establish parameters for DG program
 - IEEE 1547-2018

- Focus on updating the rules, not on the credit itself
- The Commission shall determine the billing and crediting mechanism in a rate case
 - DTE U-20162 currently in briefing stage
 - Consumers U-20134 settlement agreement to not file until after January of 2020

The initial discussions of a Cost of Service Based Inflow / Outflow credit to replace the full retail rate took place during the DG working group process. (March – December of 2017)

Report available:

https://www.michigan.gov/documents/mpsc/MPSC_Staff_DG_Report_with_Appendices_614779_7.pdf

- Lets do this once...
 - Adaptable to future (when economic) technology like battery storage
 - Does not rule out potential grid benefits such as solar smoothing, peak shaving, advanced inverter functions
 - Would allow for crediting for the curtailment of energy freq/volt stabilization and allow for various tariff options to take advantage of these grid benefits

- Discussion leading to comments
 - Verbal comments will be captured today
 - Please submit written comments by Friday (January 18) to harlowj@Michigan.gov
 - All comments will be consolidated and posted to the website @
 - *www.Michigan.gov/mpsc*
 - *Renewable Energy*
 - *Interconnection, DG and PURPA Rulemaking*
 - *Distributed Generation Legacy Net Metering*

This presentation will be posted to the same web page.

- Review comments filed on the website
- Draft a redline version of the Rules (provided in the link on the Agenda)
 - Submit your redlined version of the Rules to me (harlowj@Michigan.gov) by Friday, February 15, 2019.
- Staff will consolidate the versions and send out with the next meetings agenda to be discussed at the March 18 meeting

Questions?

Lets get to work!