

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's)
Review of Chapter 4901:1-22, Ohio)
Administrative Code, Regarding)
Interconnection Services.)

Case No. 12-2051-EL-ORD

INITIAL COMMENTS OF
OHIO POWER COMPANY

Introduction

By entry dated July 16, 2012 the Commission initiated a workshop held on August 17, 2012 to elicit feedback regarding the current Interconnection rules from interested stakeholders. Based on feedback from stakeholders, an entry dated October 17, 2012, seeks comments from interested parties to review the various rules related to utility matters found in OAC 4901:1-22, Interconnection Standards and file comments no later than November 19, 2012 and file reply comments by December 4, 2012.

Ohio Power's (dba AEP Ohio) submits the following comments below in response to the Commission's invitation for feedback. In addition to the rule review comments, the Commission asked for general comments regarding other various Interconnection rules; Ohio Power has included comments regarding those items at the end of this document.

4901:1-22-05 Application requirements for interconnection.

AEP Ohio's experience to date supports that equipment with a twenty-five kilowatt or less capacity will qualify for a Level 1 simplified review. This would expedite the

application approval process and reduce the application fee for those customers.

Therefore, AEP Ohio suggests the following language to read as:

(A)(1)(a) A "short form" application for interconnection of generating equipment ~~ten~~ **twenty-five** kilowatts or less that qualifies for level 1 simplified review.

4901:1-22-05 Application requirements for interconnection.

In addition, AEP Ohio prefers not to allow internal switching devices due to safety reasons, time delay issues of service restoration, and security issues. In the past, customers read this rule and assume this situation must be allowed by the EDU. AEP Ohio asks for the addition of this language to help clarify the intent of the rule. Therefore AEP Ohio recommends the following language addition:

(E) (2) In the case of solar units with internal switching devices, **where allowed by the utility,** a customer lock box containing a key to the applicant's premises where the solar unit is installed should be accessible to EDU personnel.

4901:1-22-06 Level 1 simplified review procedure.

In order to be consistent with the previous request for 4901:1-22-05 (A) (1) (a), AEP Ohio recommends to following change:

(A) (1) (b) The generation facility must have a nameplate capacity of ~~ten~~ **twenty-five** kilowatts or less.

4901:1-22-06 Level 1 simplified review procedure.

AEP Ohio recommends that the following paragraph be clarified to address specifics regarding if the generator is on the load side or source side of the sectionalizing device as well as what the sectionalizing device isolate in this application. In addition, whether this criteria is to be applied with the understanding of how it affects reverse power flow and islanding conditions.

(B) (1) (b)The aggregated generation on the circuit, including the proposed distributed generation facility, may not exceed fifteen per cent of the peak load on the smallest part of the primary distribution system that could remain connected after operation of sectionalizing devices.

4901:1-22-06 Level 1 simplified review procedure.

AEP Ohio contends that the addition of providing customers notification copies of the analysis and data of the utility's determinations would be unnecessary and burdensome.

This additional work adds no value to either the customer or utility for projects of this size and would in turn slow down the process to review and approve applications.

Therefore, AEP Ohio asks that the following new language be stricken from the rules:

(C) (1) Within fifteen business days after the EDU notifies the applicant that it has received a complete short form interconnection service application, the EDU shall perform a review using the criteria set forth in (B) (1) of this rule, shall notify the applicants of the results, ~~and shall include with the notification copies of the analysis and data underlying the EDU's determinations under the criteria.~~

4901:1-22-07 Level 2 expedited review procedure.

As previously stated, AEP Ohio recommends that the following language be clarified to address specifics regarding if the generator is on the load side or source side of the sectionalizing device as well as what the sectionalizing device isolate in this application.

In addition, whether this criteria is to be applied with the understanding of how it affects reverse power flow and islanding conditions.

(B)(1)(d)The proposed distributed generation's capacity in aggregation with other generation on the circuit shall not exceed fifteen per cent of the total circuit peak load as most recently measured at the substation; nor will it exceed fifteen per cent of a distribution circuit line section annual peak load.

4901:1-22-07 Level 2 expedited review procedure.

AEP Ohio requests the following change for clarification reasons. The current language states that a customer shall not request interconnection on a circuit that exceeds ninety

percent of the short circuit interrupting capability. AEP Ohio contends that a customer would not know prior to application what the short circuit interrupting capability would be; therefore, the following language changes are suggested:

(B)(1)(f)The proposed distributed generation facility, in aggregation with other generation on the distribution circuit, may not cause any distribution protective devices and equipment (including substation breakers, fuse cutouts, and line reclosers), or other customer equipment on the electric distribution system to be exposed to fault currents exceeding ninety per cent of the short circuit interrupting capability; nor shall the an applicant requesting interconnection on a circuit that already exceeds ninety percent of the short circuit interrupting capability be permitted.

4901:1-22-07 Level 2 expedited review procedure.

AEP Ohio recommends the removal of the following paragraph since we believe it is now addressed in the newly added language of 4901:1-22-07 (B) (1) (i).

~~(B)(1)(j)A review of the type of electrical service provided to the applicant, including line configuration and the transformer connection, will be conducted to limit the potential for creating over voltages on the EDU's electric distribution system due to a loss of ground during the operating time of any anti-islanding function.~~

4901:1-22-07 Level 2 expedited review procedure.

AEP Ohio recommends that the language be revised to state twenty-five kilowatts and not twenty kilowatts. This is in-line with standard transformer capacities and would align with AEP Ohio's previous recommendation in 4901:1-22-05 (A) (1) (a). Therefore, the proposed language should read:

(B)(1)(k)When the proposed distributed generation facility is to be interconnected on single-phase shared secondary line, the aggregate generation capacity on the shared secondary line, including the proposed distributed generation facility, will not exceed twenty twenty-five kilowatts.

4901:1-22-07 Level 2 expedited review procedure.

As previously stated in 4901:1-22-06 (C)(1), AEP Ohio contends that the addition of providing customers notification copies of the analysis and data of the utility's

determinations would be unnecessary and burdensome. This additional work adds no value to either the customer or utility for projects of this size and would in turn slow down the process to review and approve applications. Therefore, AEP Ohio asks that the following new language be stricken from the rules:

~~(C)(1) Within twenty business days after the EDU notifies the applicant it has received a complete application, the EDU shall perform an initial review using the criteria set forth in (B), shall notify the applicant of the results, and include with the notification copies of the analysis and data underlying the EDU's determinations under the criteria.~~

4901:1-22-07 Level 2 expedited review procedure.

AEP Ohio recommends that the newly created language be shortened to make the statement clear and concise. Therefore AEP Ohio recommends the following change to the newly created language:

~~(C)(4) If the proposed interconnection fails to meet the criteria but the EDU does not or cannot determine from the initial review that the proposed distributed generation facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the applicant is willing to consider minor modifications to further study, the EDU shall:~~

4901:1-22-08 Level 3 standard review procedure.

The suggested rule change moves the below paragraph within the fee section of the rules instead of allowing it to remain as a separate paragraph. AEP Ohio recommends keeping this as a separate paragraph since it is not an actual fee. Therefore, AEP Ohio recommends that the suggested change is not applied:

~~(D) (C)(2)~~ Within five business days after completion of the level 3 standard procedure including any applicable feasibility, system impact or facilities studies leading to the EDU's approval for interconnection of the applicant's proposed distributed generation facility installation and collection by the EDU of all the actual costs for the studies as billed to the applicant, the EDU shall provide the applicant with a standard interconnection agreement.

AEP Ohio's General Comments Section

AEP Ohio's responses to the Commission seeking general comments to various Interconnection Rule topics are shown below. The sections addressed below correlate to the item number listed in the entry from October 17, 2012.

Item #8

AEP Ohio is in agreement with staff that the proposed Level 3 process will simplify and expedite the interconnection process. However, AEP Ohio recommends Level 1 for systems of 25 kW or less. Based on experience to date the criteria for Level 1 would have been adequate for those systems installed that were between 10 and 25 kW. This would further improve the overall process by reducing the time and resources needed, since systems of this size are a large volume of what AEP Ohio processes. This would also provide a customer benefit by reducing the associated application fees.

Item #9

To begin with, AEP Ohio believes that the following language in item #9 is incorrect: "This interconnection rule could then prevent certain interconnection equipment that has already been tested by the EDU from being repeatedly tested." The statement is incorrect since the utility does not test the equipment themselves. AEP Ohio believes it should be stated as, "This interconnection rule could then prevent certain interconnection equipment that has already been ~~tested~~ **approved** by the EDU from being repeatedly tested."

Further, each distributed generation interconnection system is different and must prove compliance with IEEE 1547.1. The field testing confirms installation

commissioning with the EDU prescribed settings to assure the completed and installed distributed generation interconnection system meets the requirements of IEEE 1547. It also provides a known and agreed standard baseline of system performance for future periodic interconnection tests. Customers have often expressed concerns regarding confidentiality and proprietary of information regarding their system, therefore, placing them in a database might add concern to some customers. There will also be a cost to create and maintain a standardized database. AEP Ohio also believes that the cost incurred by such a database should not be socialized to all other ratepayers, but should be incurred by the distributed generation applicants. Finally in this regard, AEP Ohio is concerned that by providing developers with information on approved equipment, this may be considered as anti-competitive and be a barrier of entry to other equipment manufactures. Due to these reasons, AEP Ohio is opposed to this recommendation.

Item #10

The EDU's currently have the ability to enter into agreements to minimize the financial risks and currently do so on a case by case basis. The current practices to address such situations have been sufficient. AEP Ohio is not opposed, however, to considering a uniform process among all EDU if it would be beneficial to all parties.

Item #11

The operating limits of most distribution system equipment currently in use will likely limit projects to less than 20 MW. For those greater than 20 MW the economics will drive the project to a transmission system interconnection. It does not appear that removing the 20 MW capacity limit will be an issue. It may be appropriate and add more

value to clearly define a limit on the aggregate distributed generation on a distribution circuit.

Item #12

The current requirements and criteria regarding notifications, timelines, milestones, etc. within 4901:1-22 are adequately sufficient for all projects. The PJM queue is invaluable and greatly needed for the transmission system since it is basically a network system with each generator interconnection potentially impacting the system and other generators. The distribution system is predominately a radial system and in most cases multiple generators are not simultaneously applying for interconnection at the same time. Further, most projects are approved and installed well within the time allowed in 4901:1-22. The addition of publicly available queue will slow down the process and increase costs, which should be borne by the applicants rather than socialized to all ratepayers. With sound communication between the EDUs and applicants, there is no value to the process. It would be burdensome to maintain and should not be mandated.

CONCLUSION

For the foregoing reasons, AEP Ohio respectfully requests that the Commission consider the above comments. AEP Ohio reserves the right to file reply comments.

Respectfully submitted,

//s/ Steven T. Nourse
Steven T. Nourse
American Electric Power Service
Corporation
1 Riverside Plaza 29th Floor
Columbus, Ohio 43215
Telephone: (614)-716-1608
Fax: (614) 716-2950
Email: stnourse@aep.com

Counsel for Ohio Power Company

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Summary: Comments Initial Comments of Ohio Power Company electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company