

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: DISTRIBUTED GENERATION	DOCKET NO. NOI-2014-0001
--------------------------------------	--------------------------

**ORDER SOLICITING REPLY COMMENTS ON PROPOSED RULE CHANGES
REGARDING CERTAIN INTERCONNECTION ISSUES**

(Issued March 12, 2015)

On January 7, 2014, the Utilities Board (Board) issued an order commencing an inquiry into distributed generation (DG), inviting participants to comment on broad general questions related to the benefits and challenges of DG (both for utilities and their ratepayers), on policies that should be examined with respect to DG, and to identify the technical, financial, regulatory, and safety aspects of DG that participants would like to address in this inquiry docket. Participants were also invited to comment on other issues they considered relevant to any discussion regarding DG, such as whether there were any technical hurdles to implementing DG. The Board also welcomed any policy recommendations for the Board, other state agencies, or the General Assembly to consider. Comments were received from over 170 participants, including utilities, utility associations, environmental groups, renewable energy advocates, and other organizations, businesses, and individuals.

Because of the breadth of the topics identified by participants in the initial comments, the Board issued an order on May 12, 2014, which suggested the inquiry

focus on the topics of net metering (excluding avoided costs issues, which are the subject of a separate Board docket, Docket No. INU-2014-0001); interconnection of DG, including safety and reliability; and customer awareness and protection. The Board invited participants to respond to specific questions contained in the May 12, 2014, order. Responses were due on June 24, 2014, and 47 participants filed comments.

After reviewing the comments, the Board issued an order on September 19, 2014, which contained additional questions regarding net metering and interconnection and asked the participants to reply to each other's comments; the responses to the Board's questions and reply comments were due on October 24, 2014. Twenty-eight inquiry participants filed comments in response to the Board's September 19, 2014, order.

On December 22, 2014, the Board issued an order soliciting proposed changes to the Board's Chapter 45 interconnection rules (199 IAC 45) and requested that the utilities provide actual cost and supporting data to justify revising interconnection fees. Additionally, the Board requested that MidAmerican Energy Company (MidAmerican) propose specific language to revise the notification requirement in Iowa Code § 476.6A that may be used for future legislative action. Responses and comments were due February 16, 2015. Comments were filed by MidAmerican, Interstate Power and Light Company (IPL), and the Alliance for Solar Choice (TASC). The Environmental Law and Policy Center, the Iowa Environmental

Council, and the Interstate Renewable Council, Inc. (jointly, Environmental Intervenors), filed joint comments.

The Board's interconnection rules are found in 199 IAC 45. The rules provide for four levels of review (Level 1 through Level 4), depending upon the size of the project, and allow for expedited review and lower application fees for smaller projects. Rule 45.13 requires rate-regulated utilities to file annual reports providing information about each of the utilities' completed interconnection requests, including the final outcome.

Various suggestions were made for proposed rule changes. IPL and the Environmental Intervenors provided redline versions of Chapter 45 which included proposed changes to the rules. MidAmerican concurred with IPL's proposed changes but also provided some additional language for the Chapter 45 rules. TASC said that the revisions suggested by the Environmental Intervenors represent meaningful improvements to Iowa's current interconnection procedures.

The comments filed provide a useful starting point for consideration of revisions to the Board's Chapter 45 rules. However, the Board believes that the participants should first have an opportunity to reply to each other's comments and proposed rule changes. Reply comments will assist the Board in drafting any proposed rule changes and should expedite the rulemaking process, if changes are proposed. In particular, the Board asks participants to comment on the cost data

provided to justify revising DG interconnection fees and the language MidAmerican proposed to revise the notification requirement in Iowa Code § 476.6A.

IT IS THEREFORE ORDERED:

Participants may file reply comments on proposed changes to the Board's interconnection rules in 199 IAC 45 on or before April 7, 2015.

UTILITIES BOARD

/s/ Elizabeth S. Jacobs

/s/ Nick Wagner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary, Deputy

/s/ Sheila K. Tipton

Dated at Des Moines, Iowa, this 12th day of March 2015.