

**MADRI MEETING: December 13, 2012**  
**DISTRIBUTED GENERATION AND INTERCONNECTION**

Location: Pepco Holdings, Inc.  
701 Ninth St. NW  
Washington, DC 90068-0001

**Topic 5** – The increased penetration of renewable energy, emanating from Renewable Portfolio Standards, net-metering, and other policies promoting renewable energy, may require a fresh look at the policies and regulations that compensate and accommodate these resources. Some Commissions have already begun to re-examine their policies for interconnection and net-metering as the renewable energy industry has evolved. Especially on the solar energy front, a wide array of products and services are now available, from traditional behind the meter distributed generation to newer products like community aggregation. Traditional barriers to these distributed resources remain and new barriers continue to surface, which must be addressed in order to advance public policy decisions that support increased development of renewable energy at the wholesale and customer levels. This panel will start with a review of the MADRI interconnection guidelines of 2005, discuss the regulatory mechanisms in various MADRI states and the issues under review to create a glide path for more customer-driven renewable energy deployment.

**9:30 – 10:00 Pre-meeting Networking**

**10:00 – 10:15 Introductions and Welcome**

Richard Sedano, Regulatory Assistance Project  
Kevin McGowan, Pepco Holdings, Inc.

**10:15 – 10:40 Discussion of the 2005 MADRI Interconnection Guidelines**

Richard Sedano, Regulatory Assistance Project

This session will provide a primer/review of the guidelines developed by MADRI in 2005, focusing on the intent and elements of the guidelines. These MADRI guidelines have been largely adopted by a number of MADRI states and after seven years are being revisited. In as much as these standards provide the backbone for implementing policies, it is important to understand what these guidelines do and do not do in order to update them to accommodate the march of new policies and products. Specifically, this discussion will provide background on interconnection standards, permitting and treatment of RECs and net-metering.

**10:40 – 12:00 Interconnection Standards and Project Permitting**

Jim Calore, PSE&G  
Scott Gebhardt, PA Public Utility Commission  
Anya Schoolman, DC Solar United Neighborhoods

Interconnection goes to the core of the viability of distributed generation. Distributed generators need clear and fair regulations in order to move forward with their projects. Regulations that are overly burdensome, complicated to understand, or impose undue fees or time delays create barriers to distributed generation projects. On the other hand, it is important for utilities to safeguard the integrity of the grid. The presenters on this panel will discuss existing interconnection standards, how they have worked out and why perhaps they need to be upgraded. Additionally, states vary with respect to policies regarding permitting – whether the jurisdictional approvals are statewide only or whether statewide regulations are layered with local regulations on permitting and siting. This panel will discuss the issues and challenges for developing distributed generation.

**12:00 – 1:00 Lunch Break, Networking**

**1:00 – 2:20 Net-Metering, Pricing Issues, and RECs**

Jason Keyes, Keyes, Fox & Wiedman LLP

Dan Cleverdon, DC Public Service Commission

Philip VanderHeyden, MD Public Service Commission

Rick Swink, PEPCO

With many different forms of DG being offered in the market, pricing policies for net-metering becomes an important issue. There are the policy objectives of promoting renewable energy and there are the concerns around pricing and the sale of energy produced. Should an industrial facility that produces more than it can use have as its sole option to sell its power back to the utility or should it be able to sell the excess generation to a willing neighbor? What is the utility's role in that transaction? Should there be different net-meter pricing based on the size of the unit? How do we assure that utilities recover their revenue requirements resulting from the reduction in sales associated with additional customer-generation. What types of projects can be considered behind-the-meter? Finally, how should the value of RECs, which can differ for a utility based on whether there is an RPS in the state, be treated in a net metering policy?

**2:20 – 3:00 Impact of Distributed Generation on RTOs**

Fran Barrett, PJM

This presentation will discuss the impact of distributed generation on the PJM system. What happens when customer energy production exceeds localized distribution consumption? What is the impact on the PJM system in terms of reverse power flows? What steps has PJM taken to integrate distributed generation with the PJM system especially in cases of overflow.

**3:00--3:15 Closing Comments**

Richard Sedano, Regulatory Assistance Project