

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

NOTICE OF PROPOSED RULEMAKINGFORMAL CASE NO. 1130, IN THE MATTER OF THE INVESTIGATION INTO
MODERNIZING THE ENERGY DELIVERY SYSTEM FOR INCREASED
SUSTAINABILITY; ANDRM21-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 21-PROVISIONS FOR
CONSTRUCTION OF ELECTRIC GENERATING FACILITIES AND TRANSMISSION
LINES

1. The Public Service Commission of the District of Columbia (Commission), pursuant to its authority under D.C. Official Code §§ 34-301, 34-302, 34-802, and 34-1516 (2012 Repl.) and in accordance with D.C. Official Code § 2-505 (2016 Repl.), hereby gives notice of its intent to amend Chapter 21 (Provisions for Construction of Electric Generating Facilities and Transmission Lines), of Title 15 (Public Utilities and Cable Television) of the District of Columbia Municipal Regulations (DCMR), in not less than sixty (60) days after publication of this notice in the *D.C. Register*.

2. The Government of the District of Columbia has established a clear policy of encouraging the deployment of Distributed Energy Resources (DER), including distributed generation (DG), such as solar energy facilities, microturbines, and cogeneration both as standalone as well as part of microgrids. As deployment of distributed generation expands and adjusts to meet demand, the Commission must examine how it can best use its broad regulatory authority to support the District's energy goals while simultaneously adhering to current statutes that prohibit the construction of generators and sale of electricity without first obtaining Commission approval.

3. On March 17, 2016, in Order No. 18144, the Commission sought comments on more general but related questions concerning distributed generation deployment and the nature of a retail sale. These comments were considered by Staff and summarized in the Modernizing the Energy Delivery System for Increased Sustainability (MEDSIS) Staff Report, issued in *Formal Case No. 1130* on January 25, 2017. In the MEDSIS Staff Report, Commission Staff also identifies various potential regulatory issues that create uncertainty in the deployment of new technologies on the District's natural gas and electricity distribution grids and provides recommended actions to address the issues identified. Most notably, Staff recommends that the Commission adopt and amend pertinent DER-related definitions in our regulations in order to establish a uniform language for addressing the complex issues related to modernizing the District's energy systems, especially as it relates to DER deployment, going forward.

4. This NOPR, along with NOPRs published concurrently concerning Chapters 9, 13, 29, 36, 40, 41, 42, and 44, work to eliminate any regulatory ambiguity. Finally, the definition of qualifying biomass in these Chapter 21 draft rules differs from the definitions of Tier I and Tier II qualifying biomass in the Commission's Chapter 29 rules governing the

District's Renewable Energy Portfolio Standard (REPS).¹ The Chapter 29 definitions of Tier I and Tier II qualifying biomass are in turn based on the statutory provisions for REPS in D.C. Official Code 34-1431 (2016 Supp.). The Commission's purpose in revising these construction rules is to promote the development of distributed generation and renewable energy as a general matter, while the District's REPS provides specific goals and financial incentives for the development of various renewable energy types. The definitions of biomass in this NOPR and Chapter 29 differ accordingly. The content of this NOPR is subject to revision should future developments in the MEDSIS Initiative so warrant.

Chapter 21, PROVISIONS FOR CONSTRUCTION OF ELECTRIC GENERATING FACILITIES AND TRANSMISSION LINES, of Title 15 DCMR, PUBLIC UTILITIES AND CABLE TELEVISION, is amended as follows:

Section 2100, APPLICABILITY, is amended as follows:

Subsection 2100.1 is amended in its entirety to read as follows:

2100.1 This chapter shall govern the construction of all electric generating facilities the electricity generated from which will be sold regardless of capacity, overhead transmission lines designed to carry sixty-nine thousand (69,000) volts or more, underground transmission lines in excess of sixty-nine thousand (69,000) volts as well as any substations connected to such lines.

Subsection 2100.2 is amended in its entirety to read as follows:

2100.2 No person shall construct an electric generating facility the electricity generated from which will be sold regardless of capacity, unless the Commission first determines, after notice and a hearing that the construction of the facility is in the public interest. Nor shall any person construct an overhead transmission line designed to carry sixty-nine thousand (69,000) volts or greater, or substation connected to such line, unless the project has been approved in accordance with this chapter. Unless specifically required by law or other provision of this chapter, Commission approval shall not be required for the routine repair and replacement activities necessary to maintain an electric generating facility or transmission line.

Section 2101, APPLICATION FILING REQUIREMENTS, is amended as follows:

The title of Section 2101 is renamed as follows:

2101 APPLICATION FILING REQUIREMENTS FOR THE CONSTRUCTION OF FOSSIL FUEL, EXCEPT FOR MICROTURBINE, AND WASTE-TO-ENERGY ELECTRIC GENERATING FACILITIES. TRANSMISSION LINES, AND SUBSTATION CONNECTED TO TRANSMISSION LINE

¹ See 15 DCMR § 2999.1 (2012 Repl.).

Subsection 2101.1 is amended in its entirety to read as follows:

- 2101.1 An application for approval of the construction of a fossil fuel (except for a microturbine) or waste-to-energy generating facility, transmission line, or substation covered under this chapter shall include the following information:
- (a) The name and address of the principal place of business of the applicant;
 - (b) The name, title, and address of the person authorized to receive notices and communications with respect to the application;
 - (c) The location or locations where the public may inspect or obtain a copy of the application;
 - (d) A list of each District of Columbia, state, or federal government agency having authority to approve or disapprove the construction or operation of the project and containing the following:
 - (1) A statement indicating whether the necessary approval from each agency has been obtained, with a copy of each approval or disapproval attached;
 - (2) A statement indicating the circumstances under which any necessary approval has not been obtained; and
 - (3) A statement indicating whether any waiver or variance has been requested, with a copy of each approval or disapproval attached.
 - (e) A general description of the generating station under § 2102, or the transmission line under § 2104, and the alternatives considered under §§ 2103 and 2104, respectively;
 - (f) The environmental information required under § 2108;
 - (g) A statement of the engineering justifications for the project;
 - (h) A statement of the safety considerations incorporated into the design, construction, and maintenance of the project;
 - (i) A statement of the socioeconomic impact of the project;
 - (j) A statement of contacts with community groups and the affected community;

- (k) A statement that the applicant has complied with all applicable environmental and zoning laws; and
- (l) A statement that the applicant has complied or will comply with the applicable PJM Interconnection, L.L.C. (PJM) tariff and requirements for the interconnection of new and expanded electric generating facilities within the PJM transmission system.

Section 2102, DESCRIPTION OF GENERATING FACILITY, is amended as follows:

The title of Section 2102 is renamed as follows:

**2102 DESCRIPTION OF FOSSIL FUEL (EXCEPT FOR MICROTURBINE) OR
SOLID WASTE ELECTRIC GENERATING FACILITY**

Subsection 2102.1 is amended in its entirety to read as follows:

- 2102.1 The description of the fossil fuel (except for microturbine) or waste-to-energy generating facility shall include the following:
- (a) Location;
 - (b) All important design and engineering features, including fuel requirements, heat rates, emission rates, space requirements, transportation facilities, water requirements, and transmission requirements;
 - (c) Operational features, including operation and maintenance personnel and equipment;
 - (d) The schedule for engineering, construction, and operation of the generating stations;
 - (e) The impact of the proposed generating station on system operations, reliability, reserve margins, and capacity factors;
 - (f) A statement of the reasons for the selection of the design and the site of the generating facility, including the location and identification of the following sites from which the project would be clearly visible:
 - (1) Residential structures;
 - (2) Historical structure and land sites;
 - (3) Institutional land, including school hospitals, and pre-school facilities;
 - (4) Recreational area;

- (5) Aesthetic;
- (6) Archaeological;
- (7) Wildlife management area; and
- (8) Park or forest.

Section 2103, ALTERNATIVE GENERATING FACILITY, is amended as follows:

The title of Section 2103 is renamed as follows:

**2103 ALTERNATIVE FOSSIL FUEL (EXCEPT FOR MICROTURBINE) OR
WASTE-TO-ENERGY GENERATING FACILITY**

Subsection 2103.1 is amended in its entirety to read as follows:

2103.1 The description of each alternative design or site considered for a fossil fuel (except for a microturbine) or waste-to-energy generating facility shall include the following:

The reasons for rejecting each alternative design or site.

Section 2106, PROJECT COORDINATING COMMITTEE, is amended as follows:

The title of Section 2106 is renamed as follows:

**2106 PROJECT COORDINATING COMMITTEE FOR FOSSIL FUEL
(EXCEPT FOR MICROTURBINE) OR WASTE-TO-ENERGY
GENERATING FACILITY, TRANSMISSION LINE, OR SUBSTATION
CONNECTED TO TRANSMISSION LINE APPLICANT**

Subsection 2106.1 is amended in its entirety to read as follows:

2106.1 Once an application for a fossil fuel (except for a microturbine) or waste-to-energy generating facility, transmission line, or substation connected to transmission line has been properly filed, the applicant may request the formation of a project coordinating committee. If the request is approved, the Committee shall consist of the following members:

- (a) A chairperson, who shall be designated by the Commission;
- (b) A representative of the applicant;

- (c) A representative from the Office of the People's Counsel, if a notice of intent to participate on the committee is filed within ten (10) days of the date of the filing of a request to form a project coordinating committee;
- (d) A representative from each District of Columbia agency that has as follows:
 - (1) Authority to issue a license, permit, or authorization before the construction or operation of the project; or
 - (2) A direct interest in the project.
- (e) Pepco, if Pepco is not the applicant.
- (f) A representative designated by the Executive Office of the Mayor; and
- (g) A representative of any federal agency or independent system operator that, in the Commission's view, has an interest in the project.

Section 2107, COMMUNITY ADVISORY GROUP, is amended as follows:

Subsection 2107.1 is amended in its entirety to read as follows:

2107.1 In order to inform and educate the community regarding the construction and operation of any proposed fossil fuel or waste-to-energy project, the applicant shall convene a community advisory group.

Section 2108, ENVIRONMENTAL IMPACT STATEMENT, is amended as follows:

The title of Section 2108 is renamed as follows:

2108 ENVIRONMENTAL IMPACT STATEMENT FOR FOSSIL FUEL, EXCEPT FOR MICROTURBINE, OR WASTE-TO-ENERGY GENERATING FACILITY, TRANSMISSION LINE, OR SUBSTATION CONNECTED TO TRANSMISSION LINE

Subsection 2108.1 is amended in its entirety to read as follows:

2108.1 The applicant for a fossil fuel (except for a microturbine) or waste-to-energy generating facility, transmission line, or substation connected to transmission line shall submit an Environmental Impact Statement (EIS). At a minimum, the EIS shall evaluate the following potential environmental impacts:

- (a) Air quality, National Ambient Air Quality Standards (NAAQS). The analysis of air quality shall include an analysis of the following six (6) criteria pollutants in the context of NAAQS:

- (1) Sulfur dioxide;
 - (2) Nitrogen oxides;
 - (3) Carbon monoxide;
 - (4) Particulate matter (PM 2.5 and PM10);
 - (5) Ozone; and
 - (6) Lead.
- (b) Air Quality, other emissions: The analysis of air quality shall include all other emissions regulated for the utility industry under the Federal Clean Air Act;
- (c) Surface and ground water resources. The analysis of surface and ground water resources shall include the following:
 - (1) Water availability; and
 - (2) Water quality, including discharge, storm water runoff, and potential spill events.
- (d) Land use, socioeconomic, and aesthetic conditions: The analysis of these items shall evaluate, at a minimum, the following:
 - (1) Appropriate zoning and compatibility with adjacent land use;
 - (2) Impact on traffic;
 - (3) Impact on cultural and historical resources; and
 - (4) Visibility impacts in terms of air pollution effects and aesthetics.
- (e) Noise conditions: The analysis of noise shall include the following:
 - (1) A complete review of standards that will be met;
 - (2) The points of measurement for noise impacts;
 - (3) A comparison of the impact of the action to common outdoor sounds at that location; and

- (4) A complete explanation of the methodology used for the noise impact measurements.
- (f) Aquatic and terrestrial ecology resources: The analysis of aquatic and terrestrial ecology shall evaluate the impact upon the following:
 - (1) Fish;
 - (2) Wildlife;
 - (3) Vegetation; and
 - (4) Direct discharges into surface waters and impact on wetland habitats; and
- (g) Electric and magnetic fields (EMF): Until applicable laws governing EMF are enacted, the applicant shall submit the following information:
 - (1) An update of the general research on the health effects of EMF;
 - (2) The relationship of the proposed action to the increase or decrease of EMF, including any mitigating measures that could be employed to decrease EMF;
 - (3) The applicant's efforts to measure and better understand background EMF in the communities affected by the proposed action; and
 - (4) If and when laws are enacted, then the EIS shall demonstrate compliance with all applicable laws.

Section 2109, PHASED PROCEEDINGS ON THE APPLICATION, is amended as follows:

The title of Section 2109 is renamed as follows:

2109 PHASED PROCEEDINGS ON THE APPLICATION FOR FOSSIL FUEL (EXCEPT FOR MICROTURBINE) OR WASTE-TO-ENERGY GENERATING FACILITY, TRANSMISSION LINE, OR SUBSTATION CONNECTED TO TRANSMISSION LINE

Subsection 2109.1 is amended to read as follows:

2109.1 The applicant for a fossil fuel (except for a microturbine) or waste-to-energy generating facility, transmission line, or substation connected to transmission line may request, or the Commission may on its own initiative direct, that the construction project be reviewed in two (2) or more phases.

The previous Section 2111, UNDERGROUND TRANSMISSION LINES IN EXCESS OF SIXTY-NINE THOUSAND VOLTS AND SUBSTATIONS CONNECTED TO SUCH LINES, is renumbered Section 2110.

Add a new Section 2111 to read as follows:

2111 APPLICATION FILING REQUIREMENTS FOR THE CONSTRUCTION OF RENEWABLE ENERGY, MICROTURBINE, COMBINED HEAT AND POWER, AND FUEL CELL ELECTRIC GENERATING FACILITIES

2111.1 An application for approval of the construction of a renewable energy, microturbine, combined heat and power, or fuel cell electric generating facility covered under this chapter shall include the following information:

- (a) The name, if any, and address of the facility;
- (b) The name and address of the owner of the facility;
- (c) The name and address of the operator of the facility;
- (d) The name and address of the contact person;
- (e) Fuel types:
 - (1) Solar energy, describe the system (photovoltaic or thermal; manufacturer/supplier; model name/number; system orientation, tilt and azimuth; and type of meter, including model number and name);
 - (2) Wind;
 - (3) Qualifying biomass;
 - (4) Methane from the anaerobic decomposition of organic materials in a landfill or wastewater treatment plant;
 - (5) Geothermal;
 - (6) Ocean, including energy from waves, tides, currents, and thermal differences;
 - (7) Fuel cells (identify source fuel);
 - (8) Fossil fuel type (for microturbine only);

- (9) Hydroelectric power other than pumped storage;
- (10) Liquid biofuels, including ethanol, biodiesel (vegetable oils and liquid animal fats), green diesel (derived from algae, grass, and other plant sources), and biogas (methane derived from animal manure and other digested organic material).
- (f) Rated capacity in MW, to one decimal place, or in KW;
- (g) Operational start date or date of approved interconnection with Pepco; and
- (h) Whether the facility is a behind-the-meter generator.

2111.2 Unless an objection is filed in response to an application under this subsection or the Commission issues a procedure schedule to further consider the application within twenty (20) business days, an application shall be deemed approved.

The previous Section 2110, ANNUAL REPORT ON SMALLER SCALE CONSTRUCTION, is renumbered Section 2112.

The previous Section 2112, WAIVERS AND MODIFICATIONS, is renumbered Section 2113.

Section 2199, DEFINITIONS, is amended as follows:

The following definitions are added to Subsection 2199.1:

“Brush” means shrubs and stands of short, scrubby trees that do not reach merchantable size.

“Combined heat and power facility” means a system that produces both electric energy and steam or forms of useful energy (such as heat) that are used for industrial, commercial, heating, or cooling purposes.

“Dunnage” means loose materials or padding used to support or protect cargo within shipping containers.

“Electric generating facility” means all buildings, easements, real estate, mains, pipes, conduits, fixtures, meters, wires, poles, lamps, devices, and materials of any kind operated, owned, used, or to be used by a person for the generation of electricity. The term includes all buildings, easements, real estate, mains, pipes, conduits, fixtures, meters, wires, poles, lamps, devices, and materials of any kind operated, owned, used, or to be used by a person for cogeneration of electricity.

“Fuel cell” means a device that produces electricity through a chemical reaction between a source fuel and an oxidant.

“Microturbine” means a small combustion turbine with an output of 25 kW to 500 kW.

“Qualifying biomass” means a solid, non-hazardous, cellulosic waste material that is segregated from other waste materials, and is derived from any of the following forest- related resources, with the exception of old growth timber, unsegregated solid waste, or post-consumer wastepaper:

- (a) Mill residue;
- (b) Precommercial soft wood thinning;
- (c) Slash;
- (d) Brush;
- (e) Yard waste;
- (f) A waste pallet, crate, or dunnage;
- (g) Agricultural sources, including tree crops, vineyard materials, grain, legumes, sugar, and other crop by products or residues; or
- (h) Cofired biomass.

“Slash” means:

- (a) Tree tops, branches, bark, or other residue left on the ground after logging or other forestry operations; or
- (b) Tree debris left after a natural catastrophe.

“Solar energy” means radiant energy, direct, diffuse, or reflected, received from the sun at wavelengths suitable for conversion into thermal, chemical, or electrical energy.

“Waste-to-energy” means waste treatment, including the use of a licensed facility that burns waste resources in high-efficiency furnaces/boilers, to produce electricity. Such resources include municipal solid waste and non-qualifying biomass but exclude waste coal.

5. Any person interested in commenting on the subject matter of this NOPR may submit written comments and reply comments sixty (60) and thirty (30) days, respectively, after the publication of this NOPR in the *D.C. Register*. Comments and reply comments are to be

addressed to Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington D.C., 20005, via email to psc-commissionsecretary@dc.gov, or through the Commission's website at <http://edocket.dcpSC.org/comments/submitpubliccomments.asp>. After the comment period expires, the Commission will take final rulemaking action. Persons with questions concerning this NOPR should call (202) 626-5150.

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

NOTICE OF PROPOSED RULEMAKING

FORMAL CASE NO. 1130, IN THE MATTER OF THE INVESTIGATION INTO MODERNIZING THE ENERGY DELIVERY SYSTEM FOR INCREASED SUSTAINABILITY;

RM-09-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 9 — NET ENERGY METERING;

RM-13-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 13 — RULES IMPLEMENTING THE PUBLIC UTILITIES REIMBURSEMENT FEE ACT OF 1980;

RM-29-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 29 — RENEWABLE ENERGY PORTFOLIO STANDARD;

RM-36-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 36 — ELECTRICITY QUALITY OF SERVICE STANDARDS;

RM-40-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 40 — DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES;

RM-41-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 41 — THE DISTRICT OF COLUMBIA STANDARD OFFER SERVICE RULES;

RM-42-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 42 — FUEL MIX AND EMISSIONS DISCLOSURE REPORTS; AND

RM-44-2017-01, IN THE MATTER OF 15 DCMR CHAPTER 44 — SUBMETERING AND ENERGY ALLOCATION

1. The Public Service Commission of the District of Columbia ("Commission") hereby gives notice, pursuant to Section 34-802 of the District of Columbia Official Code ("D.C. Official Code") and in accordance with Section 2-505 of the D.C. Official Code,¹ of its intent to amend the following provisions of Title 15 (Public Utilities and Cable Television) of the District of Columbia Municipal Regulations ("DCMR"): Chapter 9 (Net Energy Metering); Chapter 13 (Rules Implementing the Public Utilities Reimbursement Fee Act of 1980); Chapter 29 (Renewable Energy Portfolio Standard); Chapter 36 (Electricity Quality of Service Standards); Chapter 40 (District of Columbia Small Generator Interconnection Rules); Chapter 41 (The District of Columbia Standard Offer Service Rules); Chapter 42 (Fuel Mix and Emissions Disclosure Reports); and Chapter 44 (Submetering and Energy Allocation).

2. The Government of the District of Columbia has established a clear policy of encouraging the deployment of Distributed Energy Resources ("DER"), including distributed

¹ D.C. Official Code § 34-802 (2012 Repl.); D.C. Official Code § 2-505 (2016 Repl.).

generation, such as solar energy and cogeneration facilities both standing alone as well as part of microgrids. As deployment of distributed generation (“DG”) expands and adjusts to meet demand, the Commission must examine how it can best use its regulatory authority to support the District’s energy goals while simultaneously adhering to current statutes that prohibit the construction of generators and the sale of electricity without first obtaining Commission approval.

3. On March 17, 2016, in Order No. 18144, the Commission sought comments on more general but related questions concerning distributed generation deployment and the nature of a retail sale. These comments were considered by Staff and summarized in the Modernizing the Energy Delivery System for Increased Sustainability (“MEDSIS”) Staff Report, issued in *Formal Case No. 1130* on January 25, 2017. In the MEDSIS Staff Report, Commission Staff also identifies various potential regulatory issues that create uncertainty in the deployment of new technologies on the District’s natural gas and electricity distribution grids and provides recommended actions to address the issues identified. Most notably, Staff recommends that the Commission adopt and amend pertinent DER related definitions in our regulations in order to establish a consistent language for addressing the complex issues related to modernizing the District’s energy systems, especially as it relates to DER deployment, going forward.

4. This NOPR, along with NOPRs issued concurrently concerning Chapter 46 (Electric Supplier Licensing) and Chapter 21 (Provisions for Construction of Electric Generating Facilities and Transmission Lines), aim to provide regulatory clarity. Further, establishing a consistent set of definitions will facilitate public input into modernizing the District’s energy systems. The content of this NOPR is subject to revision should future developments in the MEDSIS Initiative so warrant.

5. Amendments to the above referenced chapters shall take effect in not less than sixty (60) days from the date of publication of this Notice of Proposed Rulemaking (“NOPR”) in the *D.C. Register*.

Title 15 DCMR, PUBLIC UTILITIES AND CABLE TELEVISION, is amended as follows:

The following chapters, sections, and subsections are amended as follows:

Chapter 9, NET ENERGY METERING, Section 999, DEFINITIONS, Subsection 999.1;

Chapter 41, THE DISTRICT OF COLUMBIA STANDARD OFFER SERVICE RULES, Section 4199, DEFINITIONS, Subsection 4199.1; and

Chapter 42, FUEL MIX AND EMISSIONS DISCLOSURE REPORTS, Section 4299, DEFINITIONS, Section 4299, DEFINITIONS, Subsection 4299.1:

The definition of “Electric Company” is amended to read as follows:

“**Electric company**” includes every corporation, company, association, joint-stock company or association, partnership, or person doing business in the District of Columbia, their lessees, trustees, or receivers appointed by any court whatsoever, physically transmitting or distributing electricity in the

District of Columbia to retail electric customers, excluding any person or entity distributing electricity from a behind-the-meter generator to a single retail customer behind the same meter and located on the same premise as the customer's meter. In addition, the term excludes any building owner, lessee, or manager who, respectively, owns, leases, or manages, the internal distribution system serving the building and who supplies electricity and other electricity related services solely to the occupants of the building for use by the occupants. The term also excludes a Person or entity that does not sell or distribute electricity and that owns or operates equipment used exclusively for the charging of electric vehicles.

The following chapters, sections, and subsections are amended as follows:

Chapter 9, NET ENERGY METERING, Section 999, DEFINITIONS, Subsection 999.1;

Chapter 13, RULES IMPLEMENTING THE PUBLIC UTILITIES REIMBURSEMENT FEE ACT OF 1980, Section 1399, DEFINITIONS, Subsection 1399.1;

Chapter 29, RENEWABLE ENERGY PORTFOLIO STANDARD, Section 2999, DEFINITIONS, Subsection 2999.1:

Chapter 36, ELECTRICITY QUALITY OF SERVICE STANDARDS, Section 3699, DEFINITIONS, Section 3699, DEFINITIONS, Subsection 3699.1:

Chapter 41, THE DISTRICT OF COLUMBIA STANDARD OFFER SERVICE RULES, Section 4199, DEFINITIONS, Subsection 4199.1;

Chapter 42, FUEL MIX AND EMISSIONS DISCLOSURE REPORTS, Section 4299, DEFINITIONS, Section 4299, DEFINITIONS, Subsection 4299.1; and

Chapter 44, SUBMETERING AND ENERGY ALLOCATION, Section 4499, DEFINITIONS, Section 4499, DEFINITIONS, Subsection 4499.1:

The definition for “electricity supplier” or “competitive electricity supplier” is amended as follows:

“Electricity supplier” or “competitive electricity supplier” means a person, including an Aggregator, Broker, or Marketer, who generates electricity; sells electricity; or purchases, brokers, arranges or markets electricity or electric generation services for sale to customers. The term excludes the following:

- (a) Building owners, lessees, or managers who manage the internal distribution system serving such building and who supply electricity solely to the occupants of the building for use by the occupants;**

- (b) Any Person who purchases electricity for its own use or for the use of its subsidiaries or affiliates;
- (c) Any apartment building or office building manager who aggregates electric service requirements for his or her building or buildings, and who does not: (i) Take title to electricity; (ii) Market electric services to the individually-metered tenants of his or her building; or (iii) Engage in the resale of electric services to others;
- (d) Property owners who supply small amounts of power, at cost, as an accommodation to lessors or licensees of the property;
- (e) Consolidators;
- (f) Community Renewable Energy Facilities (CREFs) as defined in Section 4199.1 and as described in Sections 4109.1 through 4109.3 of Title 15, pursuant to the Community Renewable Energy Amendment Act of 2013;
- (g) An Electric Company;
- (h) Nontraditional Marketers; and
- (i) Any person or entity that owns a behind-the-meter generator and sells or supplies the electricity from that generator to a single retail customer or customers behind the same meter located on the same premise.

The following chapters, sections, and subsections are amended as follows:

Chapter 9, NET ENERGY METERING, Section 999, DEFINITIONS, Subsection 999.1;

Chapter 13, RULES IMPLEMENTING THE PUBLIC UTILITIES REIMBURSEMENT FEE ACT OF 1980, Section 1399, DEFINITIONS, Subsection 1399.1;

Chapter 36, ELECTRICITY QUALITY OF SERVICE STANDARDS, Section 3699, DEFINITIONS, Subsection 3699.1:

Chapter 41, THE DISTRICT OF COLUMBIA STANDARD OFFER SERVICE RULES, Section 4199, DEFINITIONS, Subsection 4199.1;

Chapter 42, FUEL MIX AND EMISSIONS DISCLOSURE REPORTS, Section 4299, DEFINITIONS, Subsection 4299.1; and

Chapter 44, SUBMETERING AND ENERGY ALLOCATION, Section 4499, DEFINITIONS, Subsection 4499.1:

The definition for “behind the meter generator” is added to clarify the meaning of “electricity supplier” as follows:

“Behind-the-meter generator” – an on-site generator that is located behind a retail customer’s meter such that no Electric Company-owned transmission or distribution facilities are used to deliver the energy from the generating unit to the on-site load.

The following chapters, sections, and subsections are amended as follows:

Chapter 9, NET ENERGY METERING, Section 999, DEFINITIONS, Subsection 999.1; and

Chapter 40, DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES, Section 4099, DEFINITIONS, Subsection 4099.1:

The following definitions are added:

“Battery” – A device that is able to store electrical energy in the form of chemical energy, and convert that energy into electricity.

“Back-up generation” – Any electric generating facility, as defined in D.C. Code Section 34-205, which is connected to the electric distribution system in the District of Columbia and not subject to the Commission’s Small Generator Interconnection Rules because it does not operate parallel to the electric distribution system or operates in parallel less than 100 milliseconds.

“Cogeneration facility” or “combined heat and power (CHP) facility” – A system that produces both electric energy, steam, or other forms of useful energy (such as heat) that are used for industrial, commercial, heating, or cooling purposes.

“Demand response” – A reduction or modification in the consumption of electric energy by customers from their expected consumption in response to either an increase in the price of electric energy or to incentive payments.

“Distributed energy resource” or “DER” – A source or sink of power sited close to the customer’s load that can provide all or some of the customer’s energy needs and can also be used by the system to either reduce demand (such as demand response) or increase supply to satisfy the energy, capacity, or ancillary service needs of the distribution or transmission system. The resources, if providing electricity or thermal energy, are small in scale, connected to the distribution system, and close to the load. Types of DER include, but are not limited to: photovoltaic solar, wind, cogeneration, energy storage, demand response, electric vehicles, microturbines, biomass, waste-to-energy, generating facilities, and energy efficiency.

“Distributed generation” – Any electric generating facility, as defined in D.C. Code Section 34-205, which is connected to the electric distribution

system in the District of Columbia and subject to the Commission's Small Generator Interconnection Rules.

"Electric vehicle" – A vehicle which is powered by an electric motor drawing current from rechargeable storage batteries, fuel cells, or other portable sources of electrical current, and which may include a non-electrical source of power designed to charge batteries and components thereof.

"Electric storage" – A resource capable of absorbing electric energy, storing it for a period of time and thereafter dispatching the energy regardless of where the resource is located on the electric distribution system. These resources include all types of electric storage technologies, regardless of their size, storage medium (e.g., batteries, flywheels, electric vehicles, compressed air), or operational purpose.

"Fly-wheel" – A device that is able to store electrical energy in the form of kinetic energy, and convert that energy into electricity.

"Fossil fuel generator" – Any electric generating facility that utilizes coal, natural gas, or any other petroleum product as a fuel.

"Fuel cell" – A device that produces electricity through a chemical reaction between a source fuel and an oxidant.

"Microgrid" – A collection of interconnected loads, generation assets, and advanced control equipment, installed across a limited geographic area and within a defined electrical boundary that is capable of disconnecting from the larger electric distribution system. A microgrid may serve a single customer with several structures or serve multiple customers. A microgrid can connect and disconnect from the distribution and or transmission system to enable it to operate in both interconnected or island mode.

"Microturbine" – A small combustion turbine with an output of 25 kW to 500 kW.

"Smart Inverter" – An inverter that allows Distributed Energy Resources to be controlled or aggregated to perform power support operations that enhance grid reliability. Smart inverters can be used where any inverter-based DC generation is converted into AC and provided to the grid. This includes solar, energy storage, wind, and electric vehicles.

Chapter 9, NET ENERGY METERING, Section 999, DEFINITIONS, Subsection 999.1, amends the definition of "eligible customer generator" to clarify that the term is synonymous with the term "net energy metering facility":

"Eligible customer-generator" or "net energy metering facility" means a customer-generator whose net energy metering system for renewable

resources, cogeneration, fuel cells, and or microturbines meets all applicable safety and performance standards.

6. The MEDSIS Staff Report may be reviewed at the Office of the Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington, D.C. 20005, between the hours of 9:00 a.m. and 5:30 p.m., Monday through Friday as well as on the Commission's web site at www.dcpSC.org. Once at the website, open the "EDOCKET SYSTEM" tab, click on the "Search Current Dockets" and input "FC1130" as the case number and "88" as the item number. Copies of the MEDSIS Staff Report are also available upon request, at a per-page reproduction cost, by contacting the Commission Secretary at (202) 626-5150 or psc-commissionsecretary@dc.gov.

7. All persons interested in commenting on the content of this NOPR are invited to submit written comments and reply comments no later than sixty (60) and thirty (30) days, respectively, after the publication of this NOPR in the *D.C. Register*. Written comments should be filed with: Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington, D.C. 20005, submitted via email to psc-commissionsecretary@dc.gov, or through the Commission's website at <http://edocket.dcpSC.org/comments/submitpubliccomments.asp>.