
HOUSE BILL 2341

State of Washington 58th Legislature 2004 Regular Session

By Representatives Morris, Sullivan and Hudgins

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Committee on Technology, Telecommunications & Energy.

1 AN ACT Relating to the model distributed generation interconnection
2 procedures and net metering provisions; and adding a new chapter to
3 Title 80 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds it is in the public
6 interest to adopt this chapter to simplify the process of
7 interconnecting distributed generation facilities that will be used for
8 net metered customers. This chapter is intended to both identify a
9 class of distributed generators that, because of their selected point
10 of common coupling, can be interconnected with ease and expedition as
11 well as the standards to be used for ordinary interconnections by all
12 utilities subject to commission regulation.

13 NEW SECTION. **Sec. 2.** The definitions in this section apply
14 throughout this chapter unless the context clearly requires otherwise.

15 (1) "Applicant" means a person who has filed an application to
16 interconnect a customer-generator facility to an electric delivery
17 system.

1 (2) "Annualized period" means a period of twelve consecutive
2 monthly billing periods. A customer-generator's first annualized
3 period begins on the first day of the first full monthly billing period
4 after which the customer-generator's facility is interconnected and is
5 generating electricity.

6 (3) "Area network" means a type of electric delivery system served
7 by multiple transformers interconnected in an electrical network
8 circuit generally used in large metropolitan areas that are densely
9 populated to provide high reliability of service and having the same
10 definition as the term "secondary grid network" as defined in the
11 institute of electrical and electronic engineers standards.

12 (4) "Class I energy" means electrical energy generation. It may
13 include all types of generation or be limited to certain types of
14 renewable and/or combined heat and power systems.

15 (5) "Commission" means the utilities and transportation commission.

16 (6) "Customer-generator" means a residential or commercial customer
17 that generates electricity, typically on the customer's side of the
18 meter.

19 (7) "Customer-generator facility" means the equipment used by a
20 customer-generator to generate, manage, and monitor electricity. A
21 customer-generator facility typically includes an electric generator
22 and/or an equipment package.

23 (8) "Electric delivery system" means the infrastructure constructed
24 and maintained by an electric distribution company to deliver electric
25 service to end-users.

26 (9) "Electric generation service" means the provision of retail
27 electric energy that is generated off-site from the location at which
28 the consumption of the electric energy and capacity is metered for
29 retail billing purposes, including agreements and arrangements for the
30 provision of electric generation service.

31 (10) "Electric power supplier" means a person or entity that is
32 licensed by the commission to offer and to assume the contractual and
33 legal responsibility to provide electric generation service to retail
34 customers. This includes load serving entities, marketers, and brokers
35 that offer or provide electric generation service to retail customers.
36 This term does not include electric distribution companies.

37 (11) "Equipment package" means a group of components connecting an
38 electric generator with an electric delivery system, and includes all

1 interface equipment including switchgear, inverters, or other interface
2 devices. An equipment package may include an integrated generator or
3 electric source.

4 (12) "Fault current" means electrical current that flows through a
5 circuit and is produced by an electrical fault, such as to ground,
6 double-phase to ground, three-phase to ground, phase-to-phase, and
7 three-phase. A fault current is several times larger in magnitude than
8 the current that normally flows through a circuit.

9 (13) "Good utility practice" means a practice, method, policy, or
10 action engaged in and/or accepted by a significant portion of the
11 electric industry in a region that accomplishes the desired result
12 reliably, safely, and expeditiously consistent with this chapter.

13 (14) "Interconnection agreement" means an agreement between a
14 customer-generator and an electric distribution company, that governs
15 the connection of the customer-generator facility to the electric
16 delivery system, as well as the ongoing operation of the customer-
17 generator facility after it is connected to the system.

18 (15) "Net metering" means that the customer-generator is billed
19 according to the difference between the amount of electricity supplied
20 by the electric power supplier or basic generation service provider in
21 a given billing period and the electricity delivered from the
22 customers' side of the meter using class I energy systems, with
23 customer generation in excess of electricity supplied credited over an
24 annualized period.

25 (16) "Minor system modifications" include activities such as
26 changing the fuse in a fuse holder cut-out, changing the settings on a
27 circuit recloser, and other activities that usually entail less than
28 four hours of work and one thousand dollars in materials.

29 (17) "Point of common coupling" means the point in the
30 interconnection of a customer-generator facility with an electric
31 delivery system at which the harmonic limits are applied.

32 (18) "Spot network" means a type of electric delivery system that
33 uses two or more intertied transformers to supply an electrical network
34 circuit. A spot network is generally used to supply power to a single
35 customer or a small group of customers.

36 (19) "Supplier/provider" means an electric power supplier of
37 competitive electricity supply in a retail competition market.

1 NEW SECTION. **Sec. 3.** (1) All electric distribution companies and
2 electric power suppliers shall offer net metering at nondiscriminatory
3 rates to their customers that generate electricity, on the customer's
4 side of the meter, using class I energy.

5 (2) A customer-generator may not net meter if the capacity of the
6 customer-generator's generating facility exceeds two megawatts.

7 (3) The commission shall develop a standard tariff providing for
8 net metering. Each supplier and electric distribution company shall
9 make the tariff available to eligible customer-generators on a first-
10 come, first-served basis.

11 (4) When the amount of electricity delivered by the customer-
12 generator plus any kilowatt hour credits held over from previous
13 billing periods exceed the electricity supplied by the supplier or
14 electric distribution company, the supplier or electric distribution
15 company shall credit the customer-generator for the excess kilowatt
16 hours until the end of the annualized period at which point the
17 customer-generator will be compensated for any remaining credits at the
18 supplier's avoided cost of wholesale power. When a customer-generator
19 switches electric suppliers, the supplier with whom service is
20 terminating shall treat the end of the service period as if it were the
21 end of the annualized period.

22 (5) Each supplier shall submit an annual net metering report to the
23 commission. The report shall include:

24 (a) The total number of systems and the total estimated rated
25 generating capacity of its net metering customer-generators; and

26 (b) The total estimated net kilowatt hours received from customer-
27 generators.

28 (6) A customer-generator owns any renewable attributes of the
29 electricity it generates, and may sell any renewable energy
30 certificates created as a result of that generation, individually or
31 through an aggregator, or through a certificate trading program
32 authorized by the commission. A customer-generator that wishes to
33 estimate the generation resulting from a facility for purposes of this
34 subsection shall do so using commission-approved estimation procedures
35 for facilities smaller than ten kilowatts.

36 (7) The metering used to effectuate net metering shall be capable
37 of measuring the flow of electricity in both directions, typically
38 through the use of a single bidirectional meter. A customer may use

1 their existing electric revenue meter if it is capable of measuring the
2 bidirectional flow of electricity and is within plus or minus five
3 percent tolerance when measuring electricity flowing from the customer
4 to the supplier or electric distribution company.

5 (8) If the existing customer's electricity revenue meter is not
6 capable of measuring the bidirectional flow of electricity within the
7 tolerances specified in subsection (7) of this section, an electric
8 distribution company shall install a new meter for the customer-
9 generator, at the company's expense.

10 (9) The electric distribution company may not require more than one
11 meter per customer-generator. However, an additional meter may be
12 installed under either of the following circumstances:

13 (a) The electric distribution company may install an additional
14 meter at its own expense if the customer-generator consents; or

15 (b) The customer-generator may request that the company install an
16 additional meter at the customer-generator's expense. The cost for the
17 meter is limited to the actual cost of the meter and its installation.

18 (10) A supplier or electric distribution company may not charge a
19 net metered customer any fee or charges or require additional
20 equipment, insurance or any other requirement unless the same would be
21 required of the customer if the customer were not a net metered
22 customer. However, a supplier or electric distribution company may use
23 a special load profile for the customer that incorporates the
24 customer's real time generation provided the special load profile is
25 approved by the commission.

26 (11) Future revisions to the requirements of this section may be
27 made by commission rule.

28 NEW SECTION. **Sec. 4.** (1) There are three interconnection review
29 paths for interconnection of customer-sited generation.

30 (a) Simplified. This is for qualified inverter-based facilities
31 with a power rating of ten kilowatts or less on radial or spot network
32 systems under certain conditions.

33 (b) Expedited. This is for certified generating facilities that
34 pass certain prespecified screens and have a power rating of two
35 megawatts or less.

36 (c) Standard. This is for all generating facilities not qualifying

1 for either the simplified or expedited interconnection review processes
2 that have a power rating of twenty megawatts or less.

3 (2) To qualify for simplified or expedited interconnection
4 procedures, generators no larger than two megawatts must be certified
5 under subsection (3) of this section to comply with the following codes
6 and standards as applicable:

7 (a) The institute of electrical and electronic engineers' 1547
8 standard for interconnecting distributed resources with electric power
9 systems or 929 standard for inverters less than ten kilowatts in size;
10 and

11 (b) UL 1741 inverters, converters, and controllers for use in
12 independent power systems.

13 (3) An equipment package is certified for interconnected operation
14 if it has been submitted by a manufacturer, tested and listed by a
15 nationally recognized testing and certification laboratory for
16 continuous interactive operation with a utility grid in compliance with
17 the applicable codes and standards listed in subsection (2) of this
18 section. An "equipment package" includes all interface components
19 including switchgear, inverters, or other interface devices and may
20 include an integrated generator or electric source. If the equipment
21 package has been tested and listed as an integrated package, which
22 includes a generator or other electric source, it shall not require
23 further design review, testing, or additional equipment to meet the
24 certification requirements of this interconnection procedure. If the
25 equipment package includes only the interface components such as
26 switchgear, inverters, or other interface devices, then an
27 interconnection applicant must show that the generator or other
28 electric source being used with the equipment package is compatible
29 with the equipment package and consistent with the testing and listing
30 specified for the package. If the generator or electric source
31 combined with the equipment package is consistent with the testing and
32 listing performed by the nationally recognized testing and
33 certification laboratory, no further design review, testing, or
34 additional equipment is required to meet the certification requirements
35 of this interconnection procedure. A certified equipment package does
36 not include equipment provided by the utility.

37 (4) A proposed interconnection that meets the following applicable

1 screening criteria shall be processed by the electric distribution
2 company under expedited procedures for interconnection and, if
3 qualified, for net metering.

4 (a) For interconnection of a proposed generator to a radial
5 distribution circuit, the aggregated generation, including the proposed
6 generator, on the circuit will not exceed ten percent or fifteen
7 percent for solar based generation, of the total circuit annual peak
8 load as most recently measured at the substation.

9 (b) The proposed generator, in aggregation with other generation on
10 the distribution circuit, will not contribute more than ten percent to
11 the distribution circuit's maximum fault current at the point on the
12 high voltage primary level nearest the proposed point of common
13 coupling.

14 (c) The proposed generator, in aggregate with other generation on
15 the distribution circuit, will not cause any distribution protective
16 devices and equipment including but not limited to substation breakers,
17 fuse cutouts, and line reclosers, or customer equipment on the system,
18 to exceed ninety percent of the short circuit interrupting capability;
19 nor is the interconnection proposed for a circuit that already exceeds
20 ninety percent of the short circuit interrupting capability.

21 (d) The proposed generator, in aggregate with other generation
22 interconnected to the distribution low voltage side of the substation
23 transformer feeding the distribution circuit where the generator
24 proposes to interconnect, will not exceed ten megawatts in an area
25 where there are known or posted transient stability limitations to
26 generating units located in the general electrical vicinity.

27 (e) The proposed generator is interconnected to the electric power
28 supplier as follows:

29 (i) If the primary distribution line configuration is three-phase,
30 three wire, interconnection must be phase-to-phase; and

31 (ii) If the primary distribution line configuration is three-phase,
32 four wire, interconnection must be line-to-neutral.

33 (f) If the proposed generator is to be interconnected on single-
34 phase shared secondary, the aggregate generation capacity on the shared
35 secondary, including the proposed generator, may not exceed twenty
36 kilovolt amps.

37 (g) If the proposed generator is single-phase and is to be
38 interconnected on a transformer center tap neutral of a two hundred

1 forty volt service, its addition will not create an imbalance between
2 the two sides of the two hundred forty volt service of more than twenty
3 percent of nameplate rating of the service transformer.

4 (h) The proposed generator's point of common coupling may not be on
5 a transmission line.

6 (5) The screening criteria under this subsection is in addition to
7 the applicable screens in subsection (4) of this section.

8 (a) For interconnection of a proposed generator to a spot network
9 circuit where the generator or aggregate of total generation exceeds
10 five percent of the spot network's maximum load, the generator must use
11 a protective scheme that ensures that its current flow will not affect
12 the network protective devices including reverse power relays or a
13 comparable function.

14 (b) For interconnection of a proposed generator that uses inverter
15 based protective functions to an area network, the generator, in
16 aggregate with other exporting generators interconnected on the load
17 side of network protective devices, will not exceed the lesser of ten
18 percent of the minimum annual load on the network or five hundred
19 kilowatts. For a solar photovoltaic customer-generator facility, the
20 ten percent minimum shall be determined as a function of the minimum
21 load occurring during an off-peak daylight period.

22 (c) For interconnection of generators to area networks that do not
23 use inverter based protective functions or inverter based generators
24 that do not meet the requirements of (b) of this subsection, the
25 generator must use reverse power relays or other protection devices
26 that ensure no export of power from the customer's site including any
27 inadvertent export, under fault conditions, that could adversely affect
28 protective devices on the network circuit.

29 (6) Each electric distribution company shall have a simplified
30 interconnection procedure for inverter based generators not exceeding
31 ten kilowatts in capacity, which shall require the following steps:

32 (a) The customer submits an application filled out properly and
33 completely indicating which certified generator or equipment package
34 the customer intends to use;

35 (b) The electric distribution company acknowledges to the customer
36 receipt of the application within three business days of receipt;

37 (c) The electric distribution company evaluates the application for
38 completeness and notifies the customer within ten days of receipt that

1 the application is or is not complete and whether the generating
2 facility equipment passes screens in subsection (4)(a), (f), (g), and
3 (h) of this section. If incomplete, the application is rejected and
4 returned to the customer with a list of items needed to make it
5 complete;

6 (d) Within three days of the customer notification under (c) of
7 this subsection, the electric distribution company will execute and
8 send a simplified interconnection agreement to the customer unless an
9 agreement is not required by the electric distribution company;

10 (e) Upon receipt of a signed application/agreement and completion
11 of installation, the electric distribution company may inspect a
12 generating facility for compliance with standards and may arrange for
13 a witness test;

14 (f) If the inspection/test is satisfactory, the electric
15 distribution company will notify the customer in writing that
16 interconnection is allowed and approved. Customers who do not receive
17 any notice from the electric distribution company within fifteen days
18 are deemed approved for interconnection. Final interconnection of the
19 generator is subject to approval by the appropriate electrical code
20 officials.

21 (g) The simplified interconnection is provided at a total cost to
22 the customer not to exceed twenty-five dollars. Additional protection
23 equipment not included with the certified generator or interconnection
24 equipment package may be added at the electric distribution company's
25 discretion if the performance of the system is not negatively impacted
26 in any way and the customer is not charged for equipment in addition to
27 that which is included in the certified equipment package.

28 (7) Each electric distribution company shall have an expedited
29 interconnection procedure for customer-sited generators not exceeding
30 two megawatts in capacity that will use existing customer facilities,
31 which shall require the following steps:

32 (a) To assist customers in the interconnection process the electric
33 distribution company will designate an employee or office from which
34 basic information on the application can be obtained through an
35 informal process. On request, the electric distribution company will
36 provide the applicant with all relevant forms, documents, and technical
37 requirements for filing a complete application for interconnection of
38 generators not exceeding two megawatts to the electric distribution

1 company's electric power system. Upon the customer's request, the
2 electric distribution company will meet with the customer before
3 submission of an application for expedited interconnection.

4 (b) The customer shall submit an application for expedited
5 interconnection to the electric distribution company and may, at the
6 same time, submit an interconnection agreement executed by the
7 customer.

8 (c) A customer will be notified by the electric distribution
9 company within three business days of its receipt of an interconnection
10 application.

11 (d) The electric distribution company will notify the customer
12 within eight business days of its receipt of the application whether it
13 is complete or incomplete. If the application is incomplete, the
14 electric distribution company will at the same time provide the
15 customer a written list detailing all information that must be provided
16 to complete the application. An applicant will have ten business days
17 to submit the listed information following receipt of the notice. If
18 the applicant does not submit the listed information to the electric
19 distribution company within the ten business days, the application
20 shall be deemed withdrawn. An application will be complete upon the
21 applicant's submission of the information identified in the electric
22 distribution company's written list.

23 (e) Within ten business days after the electric distribution
24 company notifies the applicant it received a complete application, the
25 electric distribution company shall perform an initial review of the
26 proposed interconnection, which shall consist of an application of the
27 screening criteria set forth in subsections (4) and (5) of this
28 section. The electric distribution company shall notify the applicant
29 of the results, providing copies of the analysis and data underlying
30 the electric distribution company's determinations under the screens.
31 During the initial review, the electric distribution company may
32 conduct, at its own expense, any additional studies or tests it deems
33 necessary to evaluate the proposed interconnection.

34 (f) If the initial review determines that the proposed
35 interconnection passes the screens set forth in subsections (4) and (5)
36 of this section as applicable, the interconnection application will be
37 approved and the electric distribution company will provide the

1 applicant an executable interconnection agreement within five business
2 days after the determination.

3 (g) If the initial review determines that the proposed
4 interconnection fails one or more screens in subsections (4) and (5) of
5 this section, but the electric distribution company determines through
6 the initial review that the small generator may nevertheless be
7 interconnected consistent with safety, reliability, and power quality
8 standards, with or without minor system modifications, the electric
9 distribution company will provide the applicant an executable
10 interconnection agreement within five business days after the
11 determination. The generator is responsible for the cost of any minor
12 system modifications required.

13 (h) If the initial review determines that the proposed
14 interconnection fails one or more screens in subsections (4) and (5) of
15 this section, and the electric distribution company does not or cannot
16 determine from the initial review that the generator may nevertheless
17 be interconnected consistent with safety, reliability, and power
18 quality standards, then the electric distribution company will offer to
19 perform an additional review if the electric distribution company
20 concludes that an additional review might determine that the generator
21 could qualify for interconnection pursuant to the expedited procedures.
22 The electric distribution company will provide a nonbinding, but good
23 faith estimate of the costs of the additional review when it notifies
24 the customer its proposed interconnection has failed one or more
25 screens in subsections (4) and (5) of this section.

26 (i) Each electric distribution company will include in its net
27 metering and interconnection compliance tariff the procedure it will
28 follow for any additional review including the allocation of cost
29 responsibility to the customer.

30 (j) Final interconnection of the customer's generator is subject to
31 commissioning tests as set forth in subsection (2)(a) of this section
32 and approval by the appropriate local electrical code officials.

33 (k) An application and processing fee may be imposed on customers
34 proposing interconnection of generators under expedited interconnection
35 procedures if the total of all fees to complete the interconnection
36 does not exceed fifty dollars plus one dollar per kilowatt of the
37 capacity of the proposed generator. Additional fees may only be
38 charged to customers if their generator interconnection requires minor

1 system modifications under (g) of this subsection or additional review
2 under (h) of this subsection. Costs for minor system modifications or
3 additional review will be based on quotations for services from the
4 electric distribution company and subject to review by the commission
5 or its designee for such review. Hourly engineering fees for
6 additional review may not exceed one hundred dollars per hour.

7 (8) An electric distribution company may not require an eligible
8 customer-generator whose system meets the simplified or expedited
9 interconnection standards in subsections (2) through (7) of this
10 section, as applicable, to install additional controls, perform, or pay
11 for additional tests or purchase additional liability insurance, except
12 as agreed to by the customer in subsection (7) of this section.

13 (9) Each customer generator approved for interconnection shall
14 affix to their electric revenue meter a standard warning sign as
15 approved by the commission that notifies utility personnel of the
16 existence of customer sited parallel generation.

17 (10) Each electric distribution company shall have a standard
18 interconnection procedure available for generators not exceeding twenty
19 megawatts in capacity interconnecting to distribution level voltages
20 that do not qualify for simplified or expedited interconnection
21 procedures, which shall consist of the following:

22 (a) The customer submits an application for standard
23 interconnection review, or a customer's interconnection application is
24 transferred from the simplified or expedited interconnection procedures
25 for failure to meet all of the requirements of those procedures;

26 (b) The electric distribution company acknowledges to the
27 interconnecting customer receipt of the application or the transfer
28 from the simplified or expedited interconnection procedures within
29 three business days;

30 (c) The electric distribution company evaluates the application for
31 completeness and notifies the customer within ten days of receipt that
32 the application is or is not complete and, if not, advises what is
33 missing;

34 (d) The electric distribution company will conduct an initial
35 review that may include a scoping meeting or discussion with the
36 customer to review the application. At the scoping meeting the
37 electric distribution company will provide pertinent information such
38 as: The available fault current at the proposed location; the existing

1 peak loading on the lines in the general vicinity of the proposed
2 generator; and the configuration of the distribution lines at the
3 proposed point of interconnection;

4 (e) At the customer's request, the electric distribution company
5 will undertake a feasibility study that provides a preliminary review
6 of the potential impacts on the distribution system that will result
7 from the proposed interconnection. The feasibility study may be
8 combined with any feasibility study conducted to determine transmission
9 impacts. The feasibility study will preliminarily review short circuit
10 currents including contribution from the proposed generator as well as
11 coordination of and potential overloading of distribution circuit
12 protection devices. If no violations are found in the feasibility
13 study, the impact study in (f) of this subsection may be waived;

14 (f) The electric distribution company provides an impact study
15 agreement, including a cost estimate for the impact study. Where the
16 proposed interconnection may affect electric transmission or
17 distribution systems other than that of the electric distribution
18 company where the interconnection is proposed, the electric
19 distribution company shall coordinate, but not be responsible for the
20 timing of any studies required to determine the impact of the
21 interconnection request on other potentially affected electric systems.
22 The customer will be responsible to any other affected systems for all
23 costs of any additional studies incurred by any other affected system
24 to evaluate the impact of the proposed generator interconnection.

25 (i) For generators greater than two megawatts, the interconnection
26 study may require analysis of power flows and other impacts on the
27 transmission system if the utility has a reasonable belief that the
28 interconnection of the generator will create power flows that reach the
29 transmission system.

30 (ii) Transmission system interconnection studies will be governed
31 by separate procedures that may include submission of an application
32 into a transmission interconnection queue.

33 (iii) Each electric distribution company will identify the
34 circumstances under which generators larger than two megawatts must
35 submit their application into a transmission interconnection queue;

36 (g) For generators that are certified pursuant to subsection (2) or
37 (3) of this section, no review of the generator's protection equipment

1 is required. While a utility may review a certified generator's
2 protection scheme, it cannot charge for such review;

3 (h) Each electric distribution company will include in its
4 compliance tariff a description of the various elements of an impact
5 study it would typically undertake under this section including:

6 (i) Load flow study;

7 (ii) Short-circuit study;

8 (iii) Circuit protection and coordination study;

9 (iv) Impact on system operation;

10 (v) Stability study and the conditions that would justify including
11 this element in the impact study; and

12 (vi) Voltage collapse study and the conditions that would justify
13 including this element in the impact study;

14 (i) Once the interconnecting customer executes the impact study
15 agreement and pays pursuant to the good faith estimate contained in the
16 agreement, the electric distribution company will conduct the
17 interconnection impact study;

18 (j) If the electric distribution company determines, in accordance
19 with good utility practices, that the electric distribution company
20 electric system modifications required to accommodate the proposed
21 interconnection are not substantial, the impact study will identify the
22 scope and cost of the modifications as defined in the study results;

23 (k) If the electric distribution company determines, in accordance
24 with good utility practices, that the system modifications to the
25 electric distribution company's electric system are substantial, the
26 results of the impact study will produce an estimate for the
27 modification costs. The detailed costs of, and the electric power
28 supplier's modifications necessary to interconnect the customer's
29 proposed generator will be identified in a facilities study to be
30 completed by the electric distribution company;

31 (l) A facilities study agreement, with a good faith estimate of the
32 cost of completing the facilities study shall be submitted to the
33 customer for the customer's approval;

34 (m) Once the interconnecting customer executes the facilities study
35 agreement and pays pursuant to the terms thereof, the electric
36 distribution company will conduct the facilities study;

37 (n) Upon completion of the impact or facilities study, the electric

1 distribution company shall send the customer an executable
2 interconnection agreement including a quote for any required electric
3 power supplier system modifications;

4 (o) The customer returns the signed interconnection agreement;

5 (p) The customer completes installation of its generator and the
6 electric distribution company completes any electric power supplier
7 system modifications;

8 (q) The electric distribution company inspects the completed
9 generator installation for compliance with requirements and attends any
10 required commissioning tests; and

11 (r) Provided any required commissioning tests are satisfactory, the
12 electric distribution company shall notify the customer in writing that
13 interconnection is approved.

14 (11) Fees for standard interconnection review shall include an
15 application fee not to exceed one hundred dollars plus two dollars per
16 kilowatt capacity, as well as charges for actual time spent on the
17 interconnection study. Costs for the engineering review may not exceed
18 one hundred dollars per hour. Costs for the electric distribution
19 company's facilities necessary to accommodate the customer's generator
20 interconnection will be the responsibility of the customer.

21 NEW SECTION. **Sec. 5.** (1) An electric distribution company that
22 charges a fee for an interconnection study shall provide the customer-
23 generator with a bill that includes a clear explanation of all charges.
24 In addition, the electric distribution company shall provide to the
25 customer-generator, before the start of the interconnection study, a
26 good faith estimate of the number of hours that will be needed to
27 complete the interconnection study, and an estimate of the total
28 interconnection study fee.

29 (2) If a customer-generator's facility complies with all applicable
30 standards under section 4 of this act, the facility shall be presumed
31 to comply with the technical requirements of this chapter. In such a
32 case, the electric distribution company shall not require a customer-
33 generator to install additional controls, including but not limited to
34 a utility accessible disconnect switch, perform or pay for additional
35 tests, or purchase additional liability insurance in order to obtain
36 approval to interconnect.

1 (3) Once an interconnection has been approved under this chapter,
2 the electric distribution company shall not require a customer-
3 generator to test its facility except for the following:

4 (a) An annual test in which the customer-generator's facility is
5 disconnected from the electric distribution company's equipment to
6 ensure that the generator stops delivering power to the grid; and

7 (b) Any manufacturer-recommended testing.

8 (4) An electric distribution company may inspect a customer-
9 generator's facility both before and after interconnection approval is
10 granted, at reasonable hours and with reasonable advance notice to the
11 customer-generator. If the electric distribution company discovers the
12 customer-generator's facility is not in compliance with the
13 requirements of section 4 of this act and the noncompliance adversely
14 affects the safety or reliability of the electric system, the electric
15 distribution company may require disconnection of the customer-
16 generator's facility until it complies with this chapter.

17 NEW SECTION. **Sec. 6.** (1) The commission may from time to time
18 designate a technical master for the resolution of interconnection
19 disputes. The parties shall use the technical master to resolve
20 disputes related to interconnection and such resolution is binding on
21 the parties.

22 (2) The commission may designate a department of energy national
23 laboratory; college or university; or an approved federal energy
24 regulatory commission regional transmission organization with
25 distribution system engineering expertise as the technical master.
26 Should the federal energy regulatory commission identify a national
27 technical dispute resolution team, the commission may designate the
28 team as its technical master.

29 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute
30 a new chapter in Title 80 RCW.

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