



Meeting Name	Date of Meeting
Microgrid Services Tariff Working Group Meeting	January 5, 2021

### Agenda

<b>Introduction and Action Item List (Slides 1-3)</b>	<ul style="list-style-type: none"> <li>Meeting scheduled on 1/18/21 to be rescheduled to 1/14/21. WG requested time change to start later in the day.</li> <li>Based on above change, typo noted on date for Action Item #8 (Project/Program caps, rated power) should be 1/14/21.</li> </ul>
<b>Definition of Customer (Slides 4-6)</b>	<ul style="list-style-type: none"> <li>HECO proposed changes to definitions (slide 6) as an alternative to MRC’s changes to the definition of “Customer”. MRC further clarified changes not needed to definitions, but a consideration to changes to Section E Billing &amp; Compensation be made to address Customer MGOs.</li> <li><b>Action Item: HECO to propose changes for MRC’s review.</b></li> </ul>
<b>MRC’s proposed Tariff Section B.3 (Slides 7-14)</b>	<ul style="list-style-type: none"> <li>MRC (B. Brown) presented its position on exempting Rule 15 for Customer MGs. <ul style="list-style-type: none"> <li>MRC clarified its main concern is multi-customer microgrids, and removing barriers for development of Customer MGs. MRC’s interpretation of Rule 15 is such that an MGO of a multi-customer MG is unable to import energy from the utility as needed, and thus unable to allocate/pass on costs to customers within the MG. <ul style="list-style-type: none"> <li>MRC further clarified its intent is not to charge more to customers within the customer MG than what is paid to the Company.</li> </ul> </li> <li>HECO and the CA provided their positions that exempting MGs from specific Rules, such as Rule 15, may be problematic and have unintended consequences. One potential example was that it may create situations where a customer claims to be a customer MG, and sell Company energy directly to adjacent customers (a form of wheeling).</li> <li>HECO further clarified that Rule 15 may still allow for the scenarios identified by MRC. The CA also noted that the second part in Section A of Rule 15 seems to allow for the scenarios identified by MRC. Discussion within the WG suggested that it was generally allowable to allocate costs for energy served by the Company within a multi-customer MG, but exemption from Rules may not be appropriate.</li> <li><b>Action Item: HECO to revise MRC’s proposed language (slide 12) for MRC review.</b></li> </ul> </li> <li>MRC clarified and WG agreed retail wheeling is not needed to enable either customer MG or hybrid MG under the revised language.</li> </ul>



	<ul style="list-style-type: none"> <li>MRC discussed changes to Rule 22-27 &amp; 27 (slide 11). Revision may not be needed if addressed in Section E of Tariff (Action Item #1).</li> </ul>
<p><b>Indemnification (Slides 15-18)</b></p>	<ul style="list-style-type: none"> <li>HECO provided its proposed changes to the Indemnification section within the Microgrid Services Tariff, as well as the Hybrid MG Interconnection Agreement.</li> <li>HECO explained the Indemnification Section should remain within the Tariff and the Interconnection Agreement. <ul style="list-style-type: none"> <li>WG members acknowledged there was no need to remove the section from the Tariff.</li> </ul> </li> <li>HECO struck-through “provided that the Company is not excused for failure to perform in accordance with its contracts, tariffs or applicable law” as it seemed redundant to preceding language. <ul style="list-style-type: none"> <li>MRC explained the preceding language does not clearly cover what was proposed.</li> <li><b>Action Item: HECO will provide additional language to address discussion for MRC review.</b></li> </ul> </li> <li>Tariff Section C. 4 – WG member pointed out “except to the extent directly caused by the negligence or willful misconduct of Company” was inadvertently struck-through. Language will be added back into the document.</li> <li>Hybrid MG Interconnection Agreement Section 13.b.ii. HECO provided changes to clarify indemnification. <ul style="list-style-type: none"> <li><b>Action Item: PUC to review and revise as needed.</b></li> </ul> </li> </ul>
<p><b>Anti-Islanding Provisions (Slides 19-21)</b></p>	<ul style="list-style-type: none"> <li>HECO provided its revision to provide more clarity on anti-islanding. HECO added a footnote citing a section within IEEE1547.</li> <li><b>Action Item: WG to confirm language appropriate in next WG meeting.</b></li> </ul>
<p><b>MRC Comments to Hybrid MG Interconnection Agreement (Slides 22-23)</b></p>	<ul style="list-style-type: none"> <li>HECO proposed line by line review of Hybrid MG Interconnection Agreement commencing on Jan. 14. WG agreed to this approach.</li> </ul>
<p><b>Next Steps (Slide 24-27)</b></p>	<ul style="list-style-type: none"> <li>Meetings scheduled Jan. 11, 14, 20.</li> </ul>
<p><b>Working Group Parking Lot (Added for reference)</b></p>	<ul style="list-style-type: none"> <li>Change of ownership of Microgrid</li> <li>Standby Charges or Exit Fees</li> <li>Customer protection-related considerations</li> <li>Microgrid/IGP procurement considerations</li> <li>Considerations of gaming between utility-owned and 3rd-party MGs</li> <li>Army/Military MG issues such as WG will consider nested microgrids, if appropriate</li> </ul>



	<ul style="list-style-type: none"> <li>• Interactions with other dockets <ul style="list-style-type: none"> <li>○ DER Tariff/Programs</li> <li>○ IGP Resiliency</li> </ul> </li> <li>• Consideration of societal, environmental value</li> <li>• Development of PPA model for hybrid MGs</li> <li>• Other types of microgrids that don't fit Act 200 definition</li> <li>• Gap in tariff for customers greater than 100kW participation &amp; compensation in non-normal, non-island scenarios. Eg, SIA</li> <li>• Harmonize compensation with other grid service mechanisms <ul style="list-style-type: none"> <li>○ Expanded functionality from MG service and whether should be included in MST.</li> </ul> </li> <li>• Contractual obligations for other grid services – Customers with existing DER/DR obligations still need to meet performance if included in a MG.</li> <li>• Customer approvals – Does a Hybrid MG need a full customer subscription?</li> </ul>
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**Working Group Chairs:**

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**Attendees:**

Anand Samtani, Hawaii PUC	Brittany Blair, Newport Consulting	Gerald Sumida, Carlsmith Ball
Andrew Nojiri, HE	Craig Nakanishi, Cades Schutte	Gina Yi, Hawaii PUC
Andrew Okabe, Hawaii PUC	Darene Matsuoka, Cades Schutte	Layla Kilolu, Hawaii PUC
Ashley Agcaoili, Hawaii PUC	Earlynne Maile, HE	Paul De Martini, Newport Consulting
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