



Meeting Name	Date of Meeting
Microgrid Services Tariff Working Group Meeting	January 14, 2021

Agenda

<p>Introduction and Action Item List (Slides 1-3)</p>	<ul style="list-style-type: none"> • Commission staff provided updates, feedback, and guidance on certain action items (below). Commission staff clarified that guidance provided in this meeting is from Commission staff and not the Commissioners’ so the guidance is subject to change. • Review of progress on Action Item (AI) List: <ul style="list-style-type: none"> ○ AI #2 (Definition of Customer): WG lead (K. Aramaki) gave an update that an agreement has been worked out between HECO and MRC, and will be provided to the WG for review. ○ AI #4 (Indemnification): WG lead gave an update that an agreement has been worked out between HECO and MRC, and partially included in the Hybrid MG IA document (provided for the walk-through). <ul style="list-style-type: none"> ▪ Commission staff requested the WG look at streamlining the Tariff language. For example, if the language is verbatim between the Tariff and Hybrid MGO IA, consider referencing the IA. Attorney representing HECO mentioned that the Company will take a look at this Tariff section again but noted that since the Hybrid MGO IA is between the Company and the Microgrid Operator as opposed to the Tariff which applies to everyone, careful thought needs to be given to taking sections out of the tariff. ○ AI #5 (Data Feasibility): Commission staff mentioned the data request was acceptable. Encouraged the WG to reference the Hybrid MG IA. ○ AI #6 (Hybrid MG Compensation): Commission staff acknowledged the limited time remaining to address the alternative compensation approaches but encouraged the WG to address and prioritize as much as possible – keeping in mind the possibility of a future phase. The Commission deferred to the WG to determine priority of items to address and provide as much as the WG can provide within the timeframe. <ul style="list-style-type: none"> ▪ HECO suggested the proposals, specifically the second proposed model (“Customer MG Model”) did not seem to meet the intent of a programmatic Tariff (e.g., “plug and play”). ▪ WG (HECO, MRC and Ulupono) agreed the second proposed model from 1/11/21 (“Customer MG Model”) would be more difficult to address than the first alternative model (“Community Solar Model”).
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	<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Ulupono suggested adding a footnote in the definitions to acknowledge two models exist as a path to move forward with the current version of the tariff. ○ AI #10b (Hybrid MGO IA soft-start ramp rate): Commission staff mentioned the revised language was acceptable. ○ AI #10c (Hybrid MGO Disclosure Checklist): CA continues to work on draft revision of checklist. <ul style="list-style-type: none"> ▪ The Commission staff did not have specific suggestions, but encouraged the CA to look for ways to streamline the checklist. ○ AI #11 (Modifications to DER Tariffs): WG Lead (K. Aramaki) to provide to WG for review.
<p>Applicability of other Tariffs (Slides 4-6)</p>	<ul style="list-style-type: none"> • Slide 6: HECO, Ulupono, MRC are in agreement with paragraphs 3 and 4.a. HECO requested additional context for MRC’s 4.b proposal. • MRC explained 4.b was to address the language in the first few paragraphs of existing DER Tariffs, requiring the customer to own or lease and operate a generating facility. MRC explained language in 4.b was to address the possibility of a MGO being separate from the owner of the generating facility(s). • HECO requested additional information, as it appeared the scenarios being discussed were possible and exemptions to DER Tariffs were not required. • Action Item: MRC to provide a write-up including specific scenarios that are unworkable by the current DER Tariff language. • A discussion on Rule 15, Section A was brought up. MRC originally had a concern that Rule 15, Section A created a barrier for customer MG development. Upon further discussion and clarification of the definition of “separate premise” in Rule 1, MRC withdrew its concerns.
<p>Project/Program Caps, Rated Power (Slides 7-8)</p>	<ul style="list-style-type: none"> • HECO proposed using “Technical System Size” as a definition to calculate “Total Rated Capacity”. <ul style="list-style-type: none"> ○ WG was generally in agreement with the proposed definition, but requested HECO clarify whether the output of the system is the aggregate of all systems within the MG or the export capability at the PCC. Action Item: HECO will review. • Project/Program Caps was discussed during the Hybrid MGO IA Walk-Through. <ul style="list-style-type: none"> ○ HECO provided its position that the intent of the 3MW project cap was to align with the assumption the Tariff is a programmatic, “plug and play” application, where the developer/MGO is clear on their requirements (with a detailed IA), also feeder capacity is generally limited to 3MW and anything greater will require an expanded study scope and most likely additional requirements.



	<ul style="list-style-type: none"> ○ The WG agreed that project larger than 3MW may require a PPA-type arrangement and not have a standard IA. Proposal was to include a footnote in the Tariff for process for larger projects, as the WG agreed larger projects would require a PPA-type arrangement.
<p>Hybrid MGO Interconnection Agreement (Slide 9, Consolidated Word Doc)</p>	<ul style="list-style-type: none"> ● WG commenced with a walk-through of the Hybrid MGO IA discussing the Commission’s redlines, MRC’s comments, and HECO’s initial comments. <ul style="list-style-type: none"> ○ WG discussions were included in a revised version of the Hybrid MGO IA. ○ WG completed 4 pages of 52 for review. ○ Action Item: WG to review, revise, comment as needed via email to address prior to the next scheduled WG meeting.
<p>Next Steps (Slides 10-13)</p>	<ul style="list-style-type: none"> ● Next (and last) WG meeting scheduled Jan. 20. MRC requested to start the meeting at 12:00pm. ● Agenda for meeting includes: <ul style="list-style-type: none"> ○ Hybrid MGO IA Walk-through ○ Microgrid Services Tariff Walk-through ○ Hybrid MG Compensation ● WG agreed the priority should be placed on the Tariff and Hybrid MGO IA, then addressing Hybrid MG Compensation items.
<p>Working Group Parking Lot (Added for reference)</p>	<ul style="list-style-type: none"> ● Change of ownership of Microgrid ● Standby Charges or Exit Fees ● Customer protection-related considerations ● Microgrid/IGP procurement considerations ● Considerations of gaming between utility-owned and 3rd-party MGs ● Army/Military MG issues such as WG will consider nested microgrids, if appropriate ● Interactions with other dockets <ul style="list-style-type: none"> ○ DER Tariff/Programs ○ IGP Resiliency ● Consideration of societal, environmental value ● Development of PPA model for hybrid MGs ● Other types of microgrids that don’t fit Act 200 definition ● Gap in tariff for customers greater than 100kW participation & compensation in non-normal, non-island scenarios. Eg, SIA ● Harmonize compensation with other grid service mechanisms <ul style="list-style-type: none"> ○ Expanded functionality from MG service and whether should be included in MST. ● Contractual obligations for other grid services – Customers with existing DER/DR obligations still need to meet performance if included in a MG. ● Customer approvals – Does a Hybrid MG need a full customer subscription?



	<ul style="list-style-type: none"> • Resiliency Tariff • Retail wheeling (see January 16, 2020 Commission Guidance Letter) • Compensation While Grid Connected (see January 16, 2020 Commission Guidance Letter)
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Working Group Chairs:

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Attendees:

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Andrew Nojiri, HE	Craig Nakanishi, Cades Schutte	Gina Yi, Hawaii PUC
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