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PUBLIC UTILITIES  
COMMISSION

# 2018-0163 Microgrid Services Tariff Technical Conference

Order No. 36481 and Procedural Order No. 36514

September 19, 2019




State of Hawaii  
**Public Utilities Commission**

# Agenda

- Welcome and introductions
- Priority items in Order No. 36481 and the Working Group process
- Update from Working Groups
- Next steps





## Act 200 (HRS §269-46)

“[T]he public utilities commission shall open a proceeding to establish a microgrid services tariff.”


“**Microgrid services tariff**” means a tariff approved by the public utilities commission that: (1) is designed to provide fair compensation for electricity and electric grid services, (2) standardizes and streamlines related interconnection processes for microgrid projects, and (3) does not apply to a utility cooperative.



# Background

Date	Action
January 9, 2019	Initial Technical Conference
February 8, 2019	Party Briefs Filed
March 11, 2019	Party Reply Briefs Filed
August 20, 2019	Order No. 36481 Issued
September 12, 2019	Procedural Order No. 36514 Issued





## Focal Point of Docket 2018-0163

“To better focus the commission's and Parties' near-term efforts on activities that can support the intent of Act 200, the commission's **initial priority** in developing the microgrid services tariff *is to facilitate applications of microgrids that improve energy resiliency, particularly the islanding of microgrids during emergency events and grid outages to provide backup power to customers and critical energy uses.*”

(See Order 36481 at 48.)





# Commission Determinations for Priority Items

- Standardize interconnection process and requirements (Rule 14H, and Microgrid Tariff if necessary)
- Review/revise existing DER programs as needed to facilitate microgrid development
- Develop Microgrid Tariff to provide a pathway to enable microgrids to support resilience during grid outages



# Expectations of Working Groups

Working Groups	Tasks	Deliverables
<b>Interconnection Standards</b>	<ul style="list-style-type: none"> <li>Review interconnection standards under existing tariffs</li> <li>Discuss changes to existing interconnection standards to support microgrids and backup power applications</li> <li>Examine examples of interconnection requirements and processes</li> </ul>	<ul style="list-style-type: none"> <li>Draft language modifying Rule 14H regarding interconnection and islanding / reconnection of microgrids</li> </ul>
<b>Market Facilitation</b>	<ul style="list-style-type: none"> <li>Develop MGS Tariff language</li> <li>Consider modifications to existing tariffs or programs</li> <li>Explore new program(s) for microgrid development</li> </ul>	<ul style="list-style-type: none"> <li>Draft MGS Tariff language to enable microgrids that provide backup power during grid outages</li> <li>Proposed compensation for use of HECO Companies' distribution system, if necessary</li> <li>Recommendations to modify existing programs, and/or new programs or services, if necessary, to support microgrid development</li> <li>Justification for compensation for clearly demonstrated benefits to non-participants, if necessary</li> </ul>



# Expectations of Working Group Participants

- Attend Working Group meetings
- Partake in thoughtful collaborative discussion
- Exercise a high level of engagement and preparedness
- Complete assigned tasks or follow up items
- Maintain professionalism, civility, and courtesy at all times








# Working Group Logistics

- Parties should self organize into Working Groups
- Commission Staff will attend and participate in Working Group meetings
- Each Working Group should determine two co-chairs from its members who will:
  - Coordinate Working Group activities and manage meetings
  - Provide status updates in scheduled Status Conferences
- Working Groups should meet as frequently as necessary to complete work products





# Status Reports and Status Conferences

- Co-chairs provide status reports or presentations detailing the Working Group's progress thus far, and summarizing unresolved issues and challenges
- Written status reports or presentation slides will be made a part of the docket record
- Status Conferences will be facilitated by Commission Staff



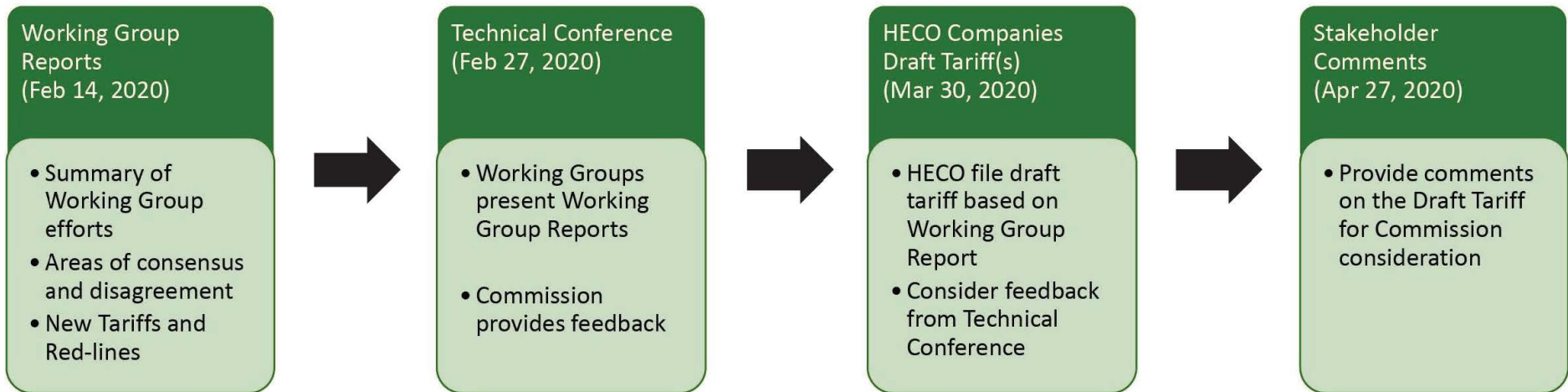


# Final Working Group Report

- Final Working Group Reports must be filed by February 14th, 2020
- Reports should identify areas of consensus and disagreement
  - For areas of consensus, necessary language for tariff modifications (with red-lines) or a new tariff should be provided
  - For areas of disagreement, participants should provide their individual perspectives
- Tariff modifications or new tariffs should be attached to the Reports as Exhibits
- Reports will be utilized by the HECO Companies in creating a Draft MGS Tariff and in updating language to other tariffs



# Steps After Working Group Reports





# Questions

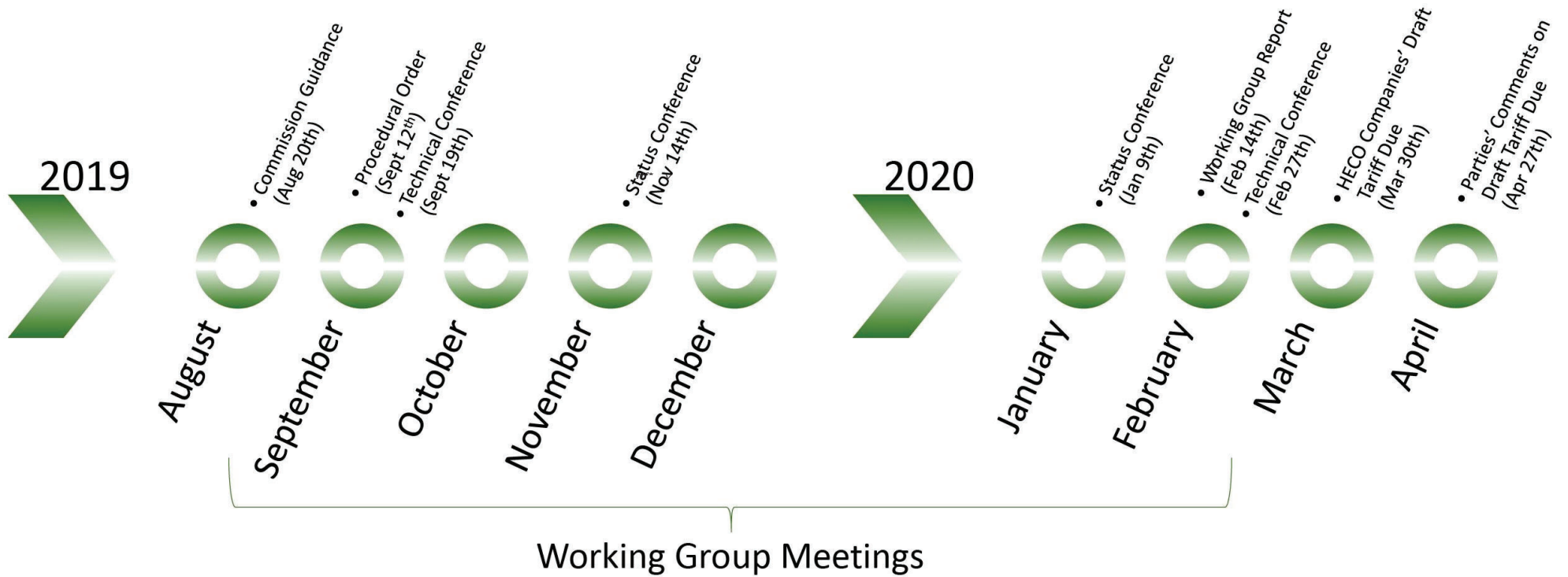




# Updates From Working Groups



# Schedule



# Next Steps

September  
to  
February

## Working Group Meetings

- Inform Commission Staff of meetings at least 1 week in advance, or as early as possible, by emailing Commission Staff (Ashley.v.Labasan@Hawaii.gov)

November 14

## Status Conference

- Written report or presentation provided by the Working Groups
- Working Groups ready for discussion with Commission or Commission Staff





# Thank You



**STATE OF HAWAII**  
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