

Distribution Planning Working Group Meeting

July 17, 2019

1:00 pm – 4:00 pm

ASB 1 and WebEx

Attendees

Jay-Paul D Lenker, PUC

Gina Yi, PUC

Dean Nishina, DCCA

Marcey Chang, DCCA

Gerald A. Sumida

Caroline Carl, Hawaii Energy

Keith Block, Hawaii Energy

Will Giese, DERC

Robert Harris, SunRun

Steven Rymsha, SunRun

Christian Rawson, Enel X

Dana Cabbell, SCE

Donald Hall, Quanta

Technology

Li Yu, Quanta Technology

Zhuoning Liu, Quanta

Technology

Doug Staker, Enel X

Jason Prince, Rocky

Mountain Institute

Jim Laehy, OATI

Leon Roose, HNEI

Marc Matsuura, HNEI

Randall Fish, Shifted Energy

Reid Shibata, Puget Sound

Energy

Roderick Go, E3

Riley Saito, County of Hawaii

Tad Glauthier, Stem Inc.

Todd Thurlow, Siemens

Tricia Rohlfing, Hawaii Pacific

Solar

Will Rolston, Energy Island

William Zastrow, WZ

Engineering LLC

Jeremy Laundergan, EnerNex

Paul De Martini, Newport

Consulting

Earlynn Maile, HE

Ken Aramaki, HE

Marc Asano, HE

Alan Hirayama, HE

Susan Chow, HE

Liza Jang-Che, HE

Blaine Hironaga, HE

Kayla Kawamata, HE

Marie Olt, HE

Dan Sakamoto, HE

Randy Liu-Kwan, HE

Gary Fukumoto, HE

Sean Oliveira, HE

Kathy Yonamine, HE

Joanne Ide, HE

Therese Klaty, HE

Kolter Kalberg, ME

Greg Shimokawa, HE

Isaac Kawahara, HE

Nohea Hirahara, HE

Christopher Lau, HE

Christopher Kinoshita, HE

Jon Shindo, HE

Lani Wong, HE

Marisa Chun, HE

Riley Ceria, HEL

Melanie Higa, HEL

Meredith Chee, HE

Richard Vandrunen, HE

Discussion

- Are the long-term DER tariffs looking at more than energy and capacity?
 - Yes. Companies looking at longer-term tariff to succeed interim tariffs like CGS, CSS, etc.
 - Longer-term tariff meant to encourage customers to interconnect.
 - Looking at additional grid services to commit customer resources on top of standard tariffs.
 - Example shared by Stakeholder: if 80% of circuits have the same profile (hypothetical using typical residential profile), there should be a general tariff to address majority of needs. Then use targeted services to account for remaining 20% of needs.
 - Tariffs need to be cost based and solve actual needs.
- How does this relate to Grid Services tariffs being developed?
 - Those are currently for bulk system needs. Need to balance this with the Companies' DER tariff and other targeted needs.
 - Need to address and coordinate with existing grid services tariffs that were contemplated under the DR docket.
- How are the DER tariffs being developed to address local needs in the NWA RFP?
 - Need to be careful not to create additional constraints.
 - Want to maintain the flexibility of the resource.
- Could we do procurements to upgrade and enhance existing DER for certain services?
 - Yes. The Companies want to allow as many people to participate as possible.
- Stakeholder concern that most customers will not understand what they are signing up for and will require that installers be the middleman to explain the program/procurement.
 - Recommend that NWA opportunity assessment consider customers' understanding or willingness to participate. Opportunities should be made simple and easy to understand.
- Have the Companies considered paying for portions of the installation?
 - Needs to make sense when compared to the value provided to the system. Must make sure NWAs are cost-effective for customers.
- Additional suggested considerations in tariff development and rate design:
 - Price signals to encourage flexibility including locational and time values.
 - Voluntary rates. Encourage more sophisticated users.
 - Could also have seasonality and dynamic pricing.
 - One example is scarcity pricing in Texas.
- What is the rationale for considering [commercial] diversity in pre-procurement screening?
 - Companies want to ensure there is a mix of solutions and providers. Diversity increases the likelihood that a procurement will result in more cost-effective pricing.
- Are there considerations for off-grid NWAs?
 - Only under very unique circumstances, otherwise a microgrid that could provide services would be treated as other DER in relation to the scope of the NWA RFP. Microgrids in the context of resilience are part of the Microgrid Services Tariff docket discussion.
- Are GHG emissions reductions and other societal benefits being considered as evaluation criteria?

- NWA evaluation criteria is based on avoided “wires” cost as the primary objective to save customers money. Also, since NWAs will involve renewable-based resources, they may contribute to RPS goals.
- Stakeholders mentioned that the Companies need to be less restrictive with respect to screening criteria at this stage to open up the RFP
 - The economic criteria, specifically, was only meant to indicate whether the dollar value opportunity was large or small. It will also indicate whether the deferral value of the opportunity is sufficient to acquire cost-effective NWAs.
 - The screening criteria is not meant to be an RFP evaluation, rather an assessment of the potential T&D projects that qualify for an NWA opportunity
 - The Companies will continue to reassess projects in planning cycles that are rated as lower priority due to the constant changing nature of the distribution system.
- Applaud the Companies approach to consider other sourcing mechanisms beyond procurement (programs, tariffs). Track 1 (procurement) and Track 2 (programs, tariffs, or future re-assessment) opportunities should not be mutually exclusive.
- What is the wires solution? Additional information on cost, location, COD, type of technology would be useful
 - The information that the Companies provided as part of the Soft Launch is representative of what will be provided. The information on the slides today is only a summary illustration.
- Want to be able to understand the aggregated NWA opportunity. Understand that a \$50k/yr opportunity may not be worth a procurement or program but it may have potential after being aggregated with other similar type projects.
- When would these track lists and assessment of needs be shared publicly?
 - The Companies will take this back for discussion to determine options for sharing needs assessments and track lists.
- Welcome more feedback on NWA opportunity criteria and thresholds. The Companies will continue to have discussion on categorization of needs opportunities between procurement, pricing, and programs.
 - Opportunities may fall into multiple categories. For example, resources participating in existing programs may want to participate in another program.
 - Would like to see more details into the wires solution such as avoided cost and timing in relation to the NWA.

Action Items

1. For the next DPWG meeting, provide more examples of how the NWA opportunity criteria would apply to projects.
2. The Companies requested stakeholders to provide feedback on proposed process via e-mail.
3. The next DPWG meeting, scheduled for August 8, is open for Stakeholder presentations on NWA opportunity screens. Interested parties should contact the Companies to get on the agenda for the next meeting.