

State Renewable Energy News

A Compilation of Utility-Oriented Renewable Energy Activities in the States

Prepared by the NARUC Subcommittee on Renewable Energy

Volume 2, No. 1
Winter 1993

State Activities

Arizona

ACC Develops Guidelines for PV/Line Extension Assessments

In January, the ACC issued guidelines for utilities to use in determining the least cost service option for remotely located customers: photovoltaics (PV) or line extensions. Under a 1991 Order, utilities are required to provide information to customers in remote locations about the relative costs of line extensions and stand-alone PV systems (*SREN*, Winter 1992). The document, entitled *Staff Guidelines on Photovoltaics Versus Line Extensions*, is available from the ACC.

ACC Contact:

David Berry, (602) 542-0742

California

State PV Group Develops Action Plan

The California Working Group of the national PV for Utilities (PV4U) effort has developed, through a collaborative process, a "Commercialization Plan for Photovoltaics in California." The plan hinges on aggressive price reductions by the solar industry in exchange for utility purchases of PV systems to raise industry capacity and gain economies of scale in mass production.

PUC Contact:

Jay Morse, (415) 703-1587

Colorado

PUC Holds First RE Docket Meeting

The first official meeting on the PUC's investigatory docket on renewables was held in January. The docket has been under-taken, in the words of PUC Chairman Robert Temmer, to develop "a focused response by the Colorado utility and renewables communities to the need for greater technical and regulatory experience with renewable energy."

The meeting featured a series of updates on renewable energy activities at the state and national level, including provisions encouraging renewables contained in the recently enacted Energy Policy Act. The next meeting, tentatively scheduled for April 15, will focus on regulatory issues.

PUC Contact:

Morey Wolfson, (303) 894-2000 x306

Massachusetts

EV Program to Utilize PV

The Massachusetts Division of Energy Resources (DOER) has initiated a program to demonstrate the

use of up to 50 electric vehicles (EVs), half of which will be integrated with daytime recharging sites. PV arrays of 8 kW to 10 kW in capacity will be interconnected to the utility grid at two of the parking garages to replace energy consumed by the vehicles during recharging.

Similar PV EV recharging demonstrations are under way in California and Florida.

DOER Contact:

David Dilts, (617) 727-4732 x23

Minnesota

PUC Stresses Wind Energy Development

In its Order approving the 1991 resource plan for Northern States Power (NSP), the PUC has ordered NSP, at a minimum, to install a 50-MW wind facility by 1997. NSP had originally proposed a 10-MW wind facility in its resource plan filing, later increasing the proposal to 100 MW (*SREN*, Fall 1992).

In the Order, the PUC notes that the larger development will "provide a more accurate assessment of the costs, maintenance requirements, and transmission issues associated with significant wind generation. It will also give a more complete picture of the impact of wind power on NSP's load profile, and offer a more realistic account of public reaction to the presence of large scale wind development on the rural landscape."

PUC Contact:

Betsy Engelking, (612) 296-1337

New Mexico

PSC Proposes PV-Line Extension Rule

In October, the PSC issued a Notice of Proposed Rulemaking to amend its Rule 420.10 concerning utility line extensions. The proposed amendment would require electric utilities to provide photovoltaic system cost and supplier information to customers upon request. All applicants for service meeting certain threshold criteria would be provided with a free PV system cost estimate.

PSC Contact:

Prasad Potturi, (505) 827-6977

New York

PSC Struggles With Renewables Order

Significant disagreements arose among parties at a prehearing conference pursuant to the PSC Order to examine issues relating to the procurement of 300 MW of renewable electric capacity (*SREN*, Fall 1992). PSC staff perceives the goals of the Order to be the implementation of demonstration programs while utility representatives believe that a capacity need should be determined before a demonstration program is established. A second conference will be held to further clarify the goals of the Order.

PSC Contact:

Sam Swanson, (518) 474-1677

Oregon

PUC Opens Docket to Investigate Renewables / PV Assessment Completed

In February, a formal process was initiated to investigate regulatory issues related to renewable energy development when the PUC adopted a staff proposal to open a renewable energy docket. The potential issues to be addressed relate to project selection, project financing, and power delivery. A preliminary schedule for the Investigation calls for a number of workshops "to identify and

consolidate issues, and to achieve consensus among the parties on needed regulatory changes." A staff report will be prepared to recommend "regulatory changes which will enhance the economic-ally efficient development of renewable resources."

Separately, a PUC staff report has been completed on PV technology and potential utility applications. Staff concluded that currently cost-effective utility PV applications exist in the state, and small-scale, remote applications offer the best options. The report recommended that "as part of its least-cost planning process, each IOU should identify PV resource development potential within its service territory" as well as participate in joint PV research projects to gain experience with the technology.

PUC Contact:

Bill McNamee, (503) 378-6360

Texas

PUC Sponsors Workshop to Present Information on Renewables

As part of its IRP rulemaking activities, the PUC is gathering information concerning renewable energy resources. In February, the PUC sponsored a full-day workshop on renewable resources to address responses to a number of questions that the Commission had posed to interested parties. The questions focused on the efficacy of current utility practices and PUC procedures regarding the consideration of renewables.

PUC Contact:

Nat Treadway, (512) 459-0310

Wisconsin

PSC Drafts Proposal On Utility Incentive for Renewables

As part of the Order for Advance Plan 6, the PSC instructed its staff to develop a draft proposal for a utility financial incentive encouraging the use of renewable resources in the state (*SREN*, Summer 1992). A draft staff incentive proposal was circulated for comment in February. Revisions and final action are expected in March.

The staff has proposed "a flat, per kilowatthour reward for energy generated by qualifying renewable resources." Qualifying resources would include new wind, PV, landfill gas, dedicated waste-to-energy, and dedicated wood-fired facilities; renewable fuels (e.g., wood, wood waste, refuse-derived fuel, and tire-derived fuel) that can substitute for fossil fuels in an existing facility; and newly developed small hydro facilities or relicensed hydro facilities of 2 MW or less. The incentive would also be extended to "new or unanticipated renewable resources or technologies on a case-by-case basis."

The staff has suggested, "as a starting point for public discussion," an incentive range of 0.25 ¢/kWh to 1.0 ¢/kWh for either direct utility investments or purchases from qualifying non-utility generators. As proposed, the incentive would apply to resources brought on-line prior to the year 2000.

PSC Contact:

David Iliff, (608) 266-3905

Other Activities

NARUC Approves National Renewables Conference

The concept of a regulator-oriented National Conference on Renewable Energy was approved by the NARUC Executive Committee at the 1992 Annual Convention.

Dates and a site have been selected: October 3-6, 1993, in Savannah, GA. The mission of the conference, to be co-sponsored by the U.S. Department of Energy (DOE), is to join state utility regulators with key parties to explore the integration of renewables into the delivery of energy services. A call for abstracts will be issued in March. Interested parties should contact NARUC to be placed on a mailing list for further information.

NARUC Contact:

Ann Thompson, (202) 898-2210

NARUC White Paper Available

The NARUC white paper on renewable energy, entitled *Investing in the Future: A Regulator's Guide to Renewables*, has been completed and is now available from NARUC.

The report, prepared by Jan Hamrin and Nancy Rader of Hansen, McOuat, Hamrin & Rohde, Inc., notes that utility regulatory policies are the key to advancing the deployment of renewables in the utility sector. There is a need to "employ strategies to more effectively incorporate the attributes of renewable resources into planning and acquisition methodologies, plan for the sustained development of renewables, and further their integration into the utility system."

The authors provide an extensive overview of renewable energy technologies and deployment issues. Several strategies and pathways for states to accelerate renewable energy development are described.

NARUC Publications Contact:

Judi Ford, (202) 898-2203

Renewables Hurt by Competitive Bidding

A forthcoming NREL study has found that renewable energy projects are faring poorly under utility competitive bidding processes. While through the 1980s, some 10,000 MW of renewable electric projects were developed under PURPA, representing roughly 40% of all QF development, only 12% of the total capacity selected under bidding (just over 1,400 MW) has been renewables-based.

The analysis of bidding in over 20 states found that many elements of traditional bidding systems work against the selection of renewables. To date, most competitive bidding solicitations have emphasized price and operational considerations over other project attributes such as environmental, fuel diversity, and fuel price stability values.

NREL Contact:

Blair Swezey, (303) 231-7014

EPRI/DOE Announce Utility Wind Program

The Electric Power Research Institute (EPRI) and DOE have announced a joint wind turbine performance verification program to support up to four utility-scale wind projects for utilities to gain firsthand experience with wind turbine technology. RFPs will be issued in two phases: for two projects in 1993 and two projects in 1994.

The program calls for projects to include a minimum of 20 turbines with a nominal rating of 300 kW each (6 MW total). In this manner, candidate turbines can be deployed "in sufficient quantity so that significant statistical operating and maintenance data can be accumulated." EPRI has received expressions of interest from 19 utilities or utility consortiums.

EPRI Contact:

Earl Davis, (415) 855-2256

EPRI Bulletin Board Includes Renewables

EPRI has recently developed several new electronic information and bulletin board services that are available on EPRINETTM, EPRI's on-line information network.

The *Storage and Renewables Forum* enables users to share information about wind, solar, PV, and geothermal resources and technologies, as well as various storage technologies. The *Biomass/Waste Bulletin Board* provides information and the opportunity for users to interact regarding the supply and the use of wastes, residues, and dedicated biomass fuel supply systems. Finally, the *Distributed Generation Bulletin Board* provides a means to exchange ideas and experiences of mutual interest about high-value applications of modular generation technologies.

The EPRINET service is free to both EPRI members and non-utility participants through 1993.

EPRI Contact:

Jane Turnbull, (415) 855-2407

IRP Proceedings Available

In January 1992, at the invitation of the DOE Secretary, more than 60 electric utility executives met with 20 state regulators and 20 senior representatives of major intervenor groups to discuss the issues that will define the future of integrated resource planning. The proceedings from this *Executive Dialogue on Resource Planning and Investment Decisions* are now available.

Contact:

Kevin Porter (NREL), (202) 484-1090

People

Dave Morse of the California PUC and staff chair of the NARUC Subcommittee on Renewable Energy has taken a four month hiatus from the CPUC to work on renewable energy development issues in West Australia. Dave will return in June.

Gary Nakarado, former Colorado PUC Commissioner, has joined NREL as Technical Director of Utility Programs. Gary can be reached at (303) 231-7072.

State Renewable Energy News is prepared under the auspices of the NARUC Subcommittee on Renewable Energy to promote the sharing of information on state-level renewable energy activities. It is issued three times annually to coincide with the NARUC Committee meetings.

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