

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 2, 2023

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

CASE NO. PUR-2023-00069

Ex Parte: In the matter of revising
the Commission's Regulations Governing
Interconnection of Small Electrical Generators
and Storage

ORDER INITIATING RULEMAKING PROCEEDING

On May 8, 2009, the State Corporation Commission ("Commission") adopted Regulations Governing Interconnection of Small Electrical Generators, 20 VAC 5-314-10 *et seq.* ("Interconnection Regulations") in Case No. PUE-2008-00004.¹ The Commission initiated that rulemaking in accordance with Code § 56-578 C, which provides, in part:

The Commission shall establish interconnection standards to ensure transmission and distribution safety and reliability, which standards shall not be inconsistent with nationally recognized standards acceptable to the Commission. In adopting standards pursuant to this subsection, the Commission shall seek to prevent barriers to new technology and shall not make compliance unduly burdensome and expensive.

On July 29, 2020, in Case No. PUR-2018-00107, the Commission revised the Interconnection Regulations.² Subsequently, in Case No. PUR-2022-00073, a docket initiated to

¹ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing interconnection standards for distributed electric generation*, Case No. PUE-2008-00004, 2009 S.C.C. Ann. Rept. 287, Order Adopting Regulations (May 8, 2009).

² *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of revising the Commission's Regulations Governing Interconnection of Small Electrical Generators*, Case No. PUR-2018-00107, 2020 S.C.C. Ann. Rept. 226, Order Adopting Regulations (July 29, 2020). In its Order Adopting Regulations, the Commission revised the title of the chapter to be "Regulations Governing Interconnection of Small Electrical Generators and Storage."

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explore interconnection issues related to utility distribution energy resources ("DER"), the Commission determined it would be appropriate to initiate a rulemaking proceeding, in a separate docket, to examine certain potential changes to the Interconnection Regulations.³

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that a rulemaking proceeding should be initiated to determine whether the Commission's Interconnection Regulations should be revised. In this regard, we direct the Commission's Staff ("Staff") to solicit comments from, and to schedule a meeting or meetings (as necessary) with, stakeholders and persons having an interest in the Commission's Interconnection Regulations and the interconnection of small electrical generators and storage in the Commonwealth of Virginia. At a minimum, Staff should consider whether amendments to the Interconnection Regulations on the topics listed in the Commission's March 3, 2023 Order in Case No. PUR-2022-00073 are needed.⁴ Staff should develop, with appropriate input from stakeholders and interested persons, a proposal for any revisions, if necessary, to the current Interconnection Regulations.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2023-00069.
- (2) Within five (5) business days of the filing of this Order Initiating Rulemaking Proceeding with the Clerk of the Commission, Staff shall electronically transmit copies of this Order to those persons and entities identified by Staff as potentially having an interest in this

³ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter considering utility distributed energy resource interconnection-related issues and questions*, Case No. PUR-2022-00073, Doc. Con. Cen. No. 230310110, Order (Mar. 3, 2023).

⁴ These topics include: (i) language concerning material modifications; (ii) language concerning dispute resolutions; (iii) insurance requirements for Level 1 Interconnections; (iv) cybersecurity; (v) the definition of DER; and (vi) DER performance standards. *Id.* at 9-10.

matter. Staff shall maintain a list of names and addresses of the persons and entities to whom the Order was transmitted.

(3) The Director of the Commission's Division of Information Resources promptly shall post a copy of this Order Initiating Rulemaking Proceeding on the Commission's website.

(4) The Commission's Division of Public Utility Regulation hereby is directed to undertake such actions as necessary to facilitate a review of the Commission's Interconnection Regulations as discussed above.

(5) Staff shall prepare and file a report on its findings and recommendations in this proceeding, which shall include any proposed revisions to the current Interconnection Regulations that are developed with appropriate input from stakeholders and other interested persons.

(6) This matter is continued.

Commissioner Patricia L. West participated in this matter.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter and to all persons on the official Service List in Case No. PUR-2022-00073. The Service Lists are available from the Clerk of the Commission.