

# Senate File 422 - Introduced

SENATE FILE \_\_\_\_\_  
BY BOLKCOM \_\_\_\_\_

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing for the establishment of interconnection  
2 standards for customer-generator facilities by the utilities  
3 board.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 2529XS 82  
6 rn/je/5

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1 1 Section 1. NEW SECTION. 476.26A INTERCONNECTION  
1 2 STANDARDS.  
1 3 1. As used in this section, unless the context otherwise  
1 4 requires:  
1 5 a. "Customer-generator" means a residential, commercial,  
1 6 or industrial customer that generates electricity.  
1 7 b. "Customer-generator facility" means the equipment used  
1 8 by a customer-generator to generate, manage, and monitor  
1 9 electricity.  
1 10 c. "Electric utility" means any entity that furnishes  
1 11 electricity to the public for compensation, whether or not  
1 12 subject to the rate regulation authority of the board.  
1 13 d. "Interconnection" means the physical connection of a  
1 14 customer-generator facility with the electric distribution  
1 15 lines of an electric utility's transmission and distribution  
1 16 facilities.  
1 17 2. The board shall establish standards by rule by July 1,  
1 18 2008, for the interconnection of customer-generator facilities  
1 19 to electric distribution lines of electric utility  
1 20 transmission and distribution facilities. The standards shall  
1 21 be designed to minimize the procedural barriers, delays, and  
1 22 administrative costs associated with the interconnection while  
1 23 ensuring the safety and reliability of customer-generator  
1 24 facilities, electric distribution lines, and electric utility  
1 25 transmission and distribution facilities.  
1 26 3. The standards established in this section shall apply  
1 27 to interconnections between customer-generator facilities of  
1 28 up to ten thousand kilowatts capacity and all electric utility  
1 29 transmission and distribution facilities, unless the  
1 30 transaction is subject to interconnection procedures  
1 31 established by the federal energy regulatory commission. The  
1 32 standards shall involve three separate expedited sets of  
1 33 procedures, to be developed by the board based on a review of  
1 34 similar interconnection procedures established in other  
1 35 states. The procedures shall be applicable to  
2 1 customer-generator facilities of up to ten kilowatts, up to  
2 2 two thousand kilowatts, and up to ten thousand kilowatts,  
2 3 respectively, that do not export power beyond the point of  
2 4 interconnection. The standards developed shall be consistent  
2 5 with applicable model rules established by the interstate  
2 6 renewable energy council, United States department of energy.  
2 7 4. Safety and reliability measures shall be established in  
2 8 the standards as determined necessary and appropriate by the  
2 9 board. The board shall ensure that the measures are  
2 10 consistent with applicable safety and performance standards  
2 11 established by the national electrical code, the institute of  
2 12 electrical and electronics engineers, underwriters  
2 13 laboratories, and the American national standards institute  
2 14 while constituting a minimum cost and level of technical  
2 15 difficulty to customer-generators.  
2 16 5. The standards shall prohibit the imposition of  
2 17 additional charges by electric utilities for equipment or  
2 18 services for interconnection beyond those necessary to meet  
2 19 the standards if those charges would exceed similar charges in

2 20 other states with interconnection standards as identified by  
2 21 the board. The standards shall incorporate simplified  
2 22 interconnection contracts for interconnections involving  
2 23 customer-generator facilities of two thousand kilowatts or  
2 24 less, and shall not require liability or other insurance in  
2 25 excess of that typically obtained by customer-generators for  
2 26 general liability insurance purposes.

2 27 EXPLANATION

2 28 This bill provides for the adoption of rules establishing  
2 29 interconnection standards by the utilities board by July 1,  
2 30 2008. The standards would apply to the interconnection of  
2 31 customer-generator facilities of up to 10,000 kilowatts  
2 32 capacity to electric distribution lines of electric utility  
2 33 transmission and distribution facilities, and be designed to  
2 34 minimize the procedural barriers, delays, and administrative  
2 35 costs associated with the interconnection.

3 1 The bill defines a "customer-generator" as a residential,  
3 2 commercial, or industrial customer that generates electricity;  
3 3 an "electric utility" as any entity that furnishes electricity  
3 4 to the public for compensation, whether or not subject to the  
3 5 rate regulation authority of the board; and "interconnection"  
3 6 as the physical connection of a customer-generator facility  
3 7 with the electric distribution lines of an electric utility's  
3 8 transmission and distribution facilities.

3 9 The bill provides that the standards shall involve three  
3 10 separate expedited sets of procedures, to be developed by the  
3 11 board based on a review of similar interconnection procedures  
3 12 established in other states. The procedures shall apply to  
3 13 customer-generator facilities of up to 10 kilowatts, up to  
3 14 2,000 kilowatts, and up to 10,000 kilowatts that do not export  
3 15 power beyond the point of interconnection, and shall be  
3 16 consistent with applicable model rules established by the  
3 17 interstate renewable energy council, United States department  
3 18 of energy. The bill states that safety and reliability  
3 19 measures shall be established in the standards as determined  
3 20 necessary and appropriate by the board, and that the board  
3 21 shall ensure they are consistent with applicable safety and  
3 22 performance standards established by several specified  
3 23 sources. The bill provides that the standards shall prohibit  
3 24 the imposition of additional charges by electric utilities for  
3 25 equipment or services for interconnection beyond those  
3 26 necessary to meet the standards, or that exceed similar  
3 27 charges in other states, and that simplified interconnection  
3 28 contracts shall be included for customer-generator facilities  
3 29 of 2,000 kilowatts or less. The standards shall also not  
3 30 require liability or other insurance in excess of that  
3 31 typically obtained by customer-generators for general  
3 32 liability insurance purposes.

3 33 LSB 2529XS 82

3 34 rn:rj/je/5.1