

ORIGINAL

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WHEREAS, the Commission respects the authority granted to it by statute through the Indiana General Assembly, and any actions the Commission takes must be within that statutory authority; and

WHEREAS, the Commission's interconnection rule, 170 IAC 4-4.3, provides procedures and timelines for the interconnection of customer generation in a safe and reliable manner; and

WHEREAS, the continued safe and reliable operation of electric distribution systems is necessary for public safety and to prevent interconnecting facilities from adversely affecting their neighbors; and

WHEREAS, the Commission's Consumer Affairs Division may receive complaints regarding compliance with the Commission's net metering rule (170 IAC 4-4.2) and interconnection rule (170 IAC 4-4.3); and

WHEREAS, it appears appropriate to provide additional guidance to customers and their installers, utilities, and the Commission's Consumer Affairs Division regarding Indiana Code §§ 8-1-40-10 and 8-1-40-12;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that this General Administrative Order and the "Guidance regarding the Indiana Code §§ 8-1-40-10 and 8-1-40-12 and Commission Rules," which is attached hereto as Appendix A, is adopted by this Commission.



James F. Huston, Chairman



Sarah E. Freeman, Commissioner

ABSENT

Stefanie Krevda, Commissioner

ABSENT

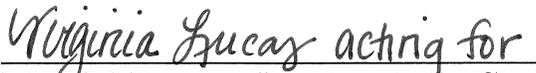
David L. Ober, Commissioner



David E. Ziegner, Commissioner

I hereby certify that the above is a true and correct copy of the resolution as approved.

Date: AUG 29 2019



Mary M. Becerra, Secretary to the Commission

**GENERAL ADMINISTRATIVE ORDER
OF THE INDIANA UTILITY REGULATORY COMMISSION
2019-2**

WHEREAS, the Consumer Affairs Division of the Indiana Utility Regulatory Commission (“Commission”) provides dispute resolution services for customers of jurisdictional utilities and its mission is to ensure utility and customer compliance with the Commission’s rules and regulations through reasonable and timely determinations; and

WHEREAS, Senate Enrolled Act 309 was enacted on May 2, 2017 (P.L. 264-2017), and created Indiana Code chapter 8-1-40 effective on July 1, 2017; and

WHEREAS, Indiana Code section 8-1-40-10 provides that a net metering tariff of an electricity supplier must remain available until the earlier of January of the first calendar year after the calendar in which the electricity supplier’s aggregate net metering facility nameplate capacity equals at least one and one-half percent (1.5%) of the electricity supplier’s most recent summer peak load, or July 1, 2022; and

WHEREAS, Indiana Code section 8-1-40-12 required the Commission to amend its net metering rule: (1) to increase the allowed limit on aggregate net metering facility nameplate capacity to one and one-half percent (1.5%) of the electricity supplier’s most recent summer peak load; and (2) to reserve 40% of that capacity for participation by residential customers and 15% of that capacity for customers that install a net metering facility that uses biomass as the renewable energy resource; and

WHEREAS, the Commission promulgated and adopted an emergency rule to amend its net metering rule as required by Indiana Code section 8-1-40-12; and

WHEREAS, Indiana Code section 8-1-40-13 provides for participation in a net metering tariff through July 1, 2032, for customers that install a net metering facility after December 31, 2017, and before the time deadlines in Indiana Code section 8-1-40-10 (referenced above); and

WHEREAS, the Commission was made aware of possible questions and concerns regarding the capacity limit, the reservation thresholds, and the ability of customers to know how close an electricity supplier is to the capacity limit and reservation thresholds under Indiana Code chapter 8-1-40; and

WHEREAS, the Commission provided public notice of, and held, a *Net Metering Informational Collaborative Meeting regarding Net Metering Availability and Capacity Thresholds* on April 10, 2019; and

WHEREAS, on May 21, 2019, the staff of the Commission provided, through email circulation and posting on the Commission’s website, proposals and questions for stakeholder feedback and requested that interested parties provide their comments in writing by June 20, 2019; and

WHEREAS, the Commission staff received and reviewed the written comments from stakeholders; and

APPENDIX A

Guidance regarding Indiana Code §§ 8-1-40-10, 12, and 13, and Commission Rules

The Indiana Utility Regulatory Commission (“IURC” or “Commission”) provides the following guidance regarding Indiana Code §§ 8-1-40-10 and 8-1-40-12 and the Commission’s net metering rule (170 IAC 4-4.2) and interconnection rule (170 IAC 4-4.3).

Throughout this document, the term “utility” (singular and plural) means a utility that qualifies as an electricity supplier under Indiana Code § 8-1-40-4.

I. Expectations for Utilities Subject to Indiana Code Chapter 8-1-40

The Commission expects utilities subject to Indiana Code chapter 8-1-40 to do the following and notes that these expectations are consistent with GAO 2017-2, the discussion at the April 10th Informational Collaborative Meeting, and the written comments submitted following the April 10th meeting:

- A. Utilities will, at a minimum, meet the timelines in the interconnection rule; however, utilities should continue to process net metering applications in such a manner as to shorten timelines if it can be done safely.
- B. Utilities will report on net metering participation as follows:
 - 1. Utilities will use the attached reporting template, which is the same template as the annual filing template that is in place as of the date of this GAO.
 - 2. In addition to the rule requiring year-end filing submitted by March 31 with Dec 31 data, each utility will make quarterly submissions on June 30 (with March 31 data), September 30 (with June 30 data), and December 31 (with September 30 data). The next reports will be due on September 30, 2019, with data as of June 30, 2019.
 - 3. The data being reported will be in aggregate regarding “Net Metering Operating Participants” as defined in Section C.4 below.
 - 4. The quarterly filings will be summarized and posted to the IURC website, in the same manner the annual report is posted.
 - 5. The quarterly reporting will continue through the September 2022 submission (with June 30, 2022 data, corresponding to the end of the net

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metering new customer offering period). The reporting will then revert to the rule requiring annual filings until such rule may be changed.

- C. Each utility will establish net metering queues as follows:
1. A discrete queue will be created for each of the three customer-generator types (residential, biomass, and non-reserved) at such time that the amount of net metering participation available under the reservation threshold for that customer-generator type is within 1 megawatt (MW) for residential, 1 MW for biomass, and 3 MW for non-reserved.
 2. “Net Metering Queue Participant” means a customer that has submitted a complete interconnection application to the utility. The application date is the date the completed interconnection application has been received by the utility. At this point, the application has been received, but not yet reviewed and approved by the utility.
 3. “Net Metering Approved Participant” means a customer that has received approval from the utility and has signed an interconnection agreement with the utility. The approval date is the date on which both the customer and the utility have signed an interconnection agreement and the utility has received the signed interconnection agreement from the customer. A Net Metering Approved Participant is also “participating in an electricity supplier’s net metering tariff” as defined in GAO 2017-2.
 4. “Net Metering Operating Participant” means a customer that has installed their system and has an operating (“energized”) system interconnected with the utility. The operational date is the date on which the customer’s system is initially operating/energized.
 5. Each utility will post each of its queues on its website. The queue(s) or link(s) to each queue will be posted on the utility’s webpage(s) regarding net metering; and the utility will provide the link(s) and updates to the link(s) to Commission staff via email to URCCComments@urc.IN.gov.
 6. The posted queue for each customer-generator type will include the following information:
 - a) Unique customer identifier or project identification number to maintain anonymity
 - b) Capacity/size of the proposed customer system in kilowatts (kW)
 - c) Technology/resource type proposed (solar, wind, etc.)
 - d) Customer-generator type (residential, biomass, non-reserved)
 - e) Interconnection level
 - f) Application date

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- g) Approval date
 - h) Operational date
 - i) Remaining available capacity beyond that consumed by current Net Metering Approved Participants (kW)
7. Each posted queue will be updated monthly, and the utility will post contact information on the utility's net metering webpage(s) of the individual or group that may be contacted for, and that will provide, the intra-monthly queue and remaining available capacity information.
8. As long as there is still remaining available capacity for a queue, Net Metering Approved Participants will not be removed from that queue.
9. Once there is no remaining available capacity for a queue, Net Metering Approved Participants may be removed from that queue under any of the following conditions:
- a) The participant has notified the utility in writing that the Net Metering Approved Participant does not wish to proceed with the approved project, or
 - b) More than one year has elapsed since the approval date of the project without the project meeting the definition of "installs" as defined in GAO 2017-2 and the utility has notified the Net Metering Approved Participant in writing that the participant will be reclassified as a Net Metering Queue Participant in 30 days.
- D. Please note that the reservation thresholds in Indiana Code § 8-1-40-12 are not capacity limits or caps and that the utilities have discretion under the Commission's rule (specifically, 170 IAC 4-4.2-4) to exceed the capacity and reservation thresholds. However, the afforded discretion does not void the right of an eligible customer to any capacity reserved for that customer type.

II. Guidance for the Commission's Consumer Affairs Division

Under 170 IAC 4-4.2-10 for net metering issues and 170 IAC 4-4.3-12 for interconnection issues, a customer or utility may submit a complaint to the Commission's Consumer Affairs Division ("CAD") for a determination regarding issues about compliance with these rules. The procedural rule for CAD complaints is located at 170 IAC 16. Customers should make an attempt to resolve a complaint directly with the utility before filing a complaint with CAD. Pursuant to 170 IAC 16-1-5(e), CAD may refer a complaint to the Commission for review at any time, based on the complexity of issues or circumstances involved in the complaint, and will likely do so regarding cases involving Indiana Code §§ 8-1-40-10 and 8-1-40-12.

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Complaints may be submitted verbally or in writing by contacting CAD at:

Phone: 1-800-851-4268

Business Hours: 8:15 a.m. to 4:45 p.m.

Email: IURCComplaints@urc.IN.gov

Online: <https://iurc.portal.in.gov/complaint/>

Address:

Indiana Utility Regulatory Commission – Consumer Affairs Division
PNC Center
101 W. Washington Street, Suite 1500E
Indianapolis, IN 46204

The Commission provides the following information and guidance to assist in resolution of CAD complaints involving Indiana Code §§ 8-1-40-10 and 8-1-40-12:

A. **Statute and Rule Provisions:**

IC 8-1-40-4 “Electricity supplier”

(a) As used in this chapter, “electricity supplier” means a public utility (as defined in IC 8-1-2-1) that furnishes retail electric service to customers in Indiana.

(b) The term does not include a utility that is:

- (1) a municipally owned utility (as defined in IC 8-1-2-1(h));
- (2) a corporation organized under IC 8-1-13; or
- (3) a corporation organized under IC 23-17 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13.

IC 8-1-40-10 Availability of electricity supplier's net metering tariff;

aggregate net metering facility nameplate capacity under tariff

Sec. 10. Subject to sections 13 and 14 of this chapter, a net metering tariff of an electricity supplier must remain available to the electricity supplier's customers until the earlier of the following:

- (1) January 1 of the first calendar year after the calendar year in which the aggregate amount of net metering facility nameplate capacity under the electricity supplier's net metering tariff equals at least one and one-half percent (1.5%) of the most recent summer peak load of the electricity supplier.
- (2) July 1, 2022.

Before July 1, 2022, if an electricity supplier reasonably anticipates, at any point in a calendar year, that the aggregate amount of net metering facility nameplate capacity under the electricity supplier's net metering tariff will equal at least one and one-half percent (1.5%) of the most recent summer peak load of the electricity supplier, the

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electricity supplier shall, in accordance with section 16 of this chapter, petition the commission for approval of a rate for the procurement of excess distributed generation.

IC 8-1-40-12 Amendment of commission's net metering rules and electricity suppliers' net metering tariffs; increase to aggregate net metering facility nameplate capacity; reservation of capacity for residential customers and organic waste biomass facilities

Sec. 12. (a) Before January 1, 2018, the commission shall amend 170 IAC 4-4.2-4, and an electricity supplier shall amend the electricity supplier's net metering tariff, to do the following:

(1) Increase the allowed limit on the aggregate amount of net metering facility nameplate capacity under the net metering tariff to one and one-half percent (1.5%) of the most recent summer peak load of the electricity supplier.

(2) Modify the required reservation of capacity under the limit described in subdivision (1) to require the reservation of:

(A) forty percent (40%) of the capacity for participation by residential customers; and

(B) fifteen percent (15%) of the capacity for participation by customers that install a net metering facility that uses a renewable energy resource described in IC 8-1-37-4(a)(5).

(b) In amending 170 IAC 4-4.2-4, as required by subsection (a), the commission may adopt emergency rules in the manner provided by IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by the commission under this section and in the manner provided by IC 4-22-2-37.1 expires on the date on which a rule that supersedes the emergency rule is adopted by the commission under IC 4-22-2-24 through IC 4-22-2-36.

IC 8-1-40-13 Installations of net metering facilities after December 31, 2017, and before expiration of tariff; continued service under tariff; successors in interest

Sec. 13. (a) This section applies to a customer that installs a net metering facility (as defined in 170 IAC 4-4.2-1(k)) on the customer's premises:

(1) after December 31, 2017; and

(2) before the date on which the net metering tariff of the customer's electricity supplier terminates under section 10(1) or 10(2) of this chapter.

(b) A customer that is participating in an electricity supplier's net metering tariff on the date on which the electricity supplier's net metering tariff terminates under section 10(1) or 10(2) of this chapter shall continue to be served under the terms and conditions of the net metering tariff until:

(1) the customer removes from the customer's premises or replaces the net metering facility (as defined in 170 IAC 4-4.2-1(k)); or

(2) July 1, 2032;

whichever occurs earlier.

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(c) A successor in interest to a customer's premises on which a net metering facility (as defined in 170 IAC 4-4.2-1(k)) that was installed during the period described in subsection (a) is located may, if the successor in interest chooses, be served under the terms and conditions of the net metering tariff of the electricity supplier that provides retail electric service at the premises until:

- (1) the net metering facility (as defined in 170 IAC 4-4.2-1(k)) is removed from the premises or is replaced; or
- (2) July 1, 2032;

whichever occurs earlier.

170 IAC 4-4.2-1

(i) "Net metering" means measurement of the difference between the electricity that is supplied by the investor-owned electric utility to a net metering customer and the electricity that is supplied back to the investor-owned electric utility by a net metering customer.

(j) "Net metering customer" means a customer in good standing that owns and operates an eligible net metering energy resource facility that:

- (1) has a nameplate capacity less than or equal to one (1) megawatt (MW), or more at the investor-owned electric utility's sole discretion;
- (2) is located on the net metering customer's premises; and
- (3) is used primarily to offset all or part of the net metering customer's own annual electricity requirements.

(k) "Net metering facility" means an arrangement of equipment for the production of electricity from an eligible net metering energy resource, that is owned and operated by a net metering customer.

170 IAC 4-4.2-4 Availability

Sec. 4. (a) An investor-owned electric utility shall offer net metering to a customer that installs a net metering facility prior to the earlier of the following:

- (1) January 1 of the first calendar year after the calendar year in which the aggregate amount of net metering facility nameplate capacity under the investor-owned electric utility's net metering tariff equals at least one and one-half percent (1.5%) of the most recent summer peak load of the investor-owned electric utility; or
- (2) July 1, 2022.

(b) The investor-owned electric utility may limit the aggregate amount of net metering facility nameplate capacity under the net metering tariff to one and one-half percent (1.5%) of the most recent summer peak load of the utility, with:

- (1) forty percent (40%) of the capacity reserved solely for participation by residential customers; and
- (2) fifteen percent (15%) of the capacity reserved solely for participation by customers that install a net metering facility that uses a renewable energy resource described in IC 8-1-37-4(a)(5).

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However, the investor-owned electric utility may increase the limit on the aggregate amount of net metering facility nameplate capacity at the investor-owned electric utility's sole discretion.

In addition to the above, GAO 2017-2 and the Commission's interconnection rule, 170 IAC 4-4.3, applies to a customer generation facility to be used for net metering.

B. Definitions

The following definitions are provided based on the discussion at the April 10th Informational Collaborative Meeting and the written comments provided thereafter. The definitions provided in GAO 2017-2 also still apply.

- (1) **“Application date”** means the date the completed interconnection application is received by the utility.
- (2) **“Approval date”** means the date on which both the customer and the utility have signed an interconnection agreement and the utility has received the signed interconnection agreement from the customer.
- (3) **“Net Metering Approved Participant”** means a customer that has received approval from the utility and has signed an interconnection agreement with the utility.
- (4) **“Net Metering Operating Participant”** means a customer that has installed their system and has an operating (“energized”) system interconnected with the utility.
- (5) **“Net Metering Queue Participant”** means a customer that has submitted a complete interconnection application to the utility.
- (6) **“Operational date”** means the date on which the customer's system is operating; i.e., energized. This date may be after the date a customer has reached the definition of “installs” under GAO 2017-2.

Please note that, while “net metering” and “distributed generation” are commonly used interchangeably, they have separate and unique meanings in Indiana Code chapter 8-1-40 and are, therefore, not the same under the statute.