

IREC COMMENTS TO EDC PROPOSAL FOR INTERCONNECTION OF NON-CLASS 1 DG TO RE CLASS 1 DG

Scott/John, the following proposal is in response to your request of my to write-up my verbal proposal.

Background -- The EDC's presentation a proposal to address "Behind the Meter Frequency Regulation". The proposal identified several possible impacts/concerns on the distribution system if Energy Storage was deployed on large scale on the distribution feeder. The concerns ranged from the combined response of the Energy Storage units to the possibly adverse impact on power quality and increase distribution maintenance cost. Because of these possible adverse impacts the EDC's proposed that all Energy Storage projects be required to be processed through a Level 3 Interconnection Procedure. Several developers expressed concern with the Level 3 requirement and the lack of confirmation of Energy Storage having adverse impacts on the distribution system.

Proposal-- The EDC's acknowledged that the system impacts from a small number of Energy Storage devices will probably not have an adverse impact on the distribution system. Whereas, the developers also acknowledged that there maybe system impacts a higher levels, but those possible impacts would probably be mitigated or offset by other distribution load changes. Both groups acknowledged that Energy Storage on the distribution system implemented properly will have a positive impact.

In order to enable the Energy Storage market to move forward and provide the necessary learning curve for the EDC's to evaluate the grid impacts of Energy Storage, IREC proposes that the NJ BPU consider the Energy Storage be allowed to follow the Level 2 Interconnection Procedure for feeders that are below the 15% peak of the distribution feeder load. For distribution feeders greater than 15% of the feeder peak the EDC's would follow the Level 3 requirements. In addition, to address the concerns of high levels of penetration of Energy Storage I will contact SANDIA National Labs to engage the lab to perform Time Series Power Flow Analysis to be capture possible system impacts of high levels of Energy Storage on the EDC's distribution system.

If you have any questions or concerns please let me know.

Cheers

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