
FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE

NEWS MEDIA CONTACT:

Barbara A. Connors
(202) 208-0680

FOR IMMEDIATE RELEASE

August 16, 2002
Docket No. RM02-12-000

STANDARDIZED PROCEDURES PROPOSED FOR INTERCONNECTING SMALL GENERATORS

Recognizing that adequate infrastructure, sound market rules and appropriate oversight are key to a competitive wholesale energy market, the Federal Energy Regulatory Commission today proposed standard agreements and procedures for interconnecting small generators.

The advanced notice of proposed rulemaking (ANOPR) is part of a series of actions designed to streamline and expedite applications and development of needed infrastructure, including small generation and demand response. The Commission's proposed standard market design (SMD) envisions many opportunities for small generation and demand response to participate in wholesale electric markets.

The proposed small generator interconnection agreements (SGIA) and small generator interconnection procedures (SGIP) for generators of less than 20 megawatts would be amendments to the open access transmission tariffs (OATT) of all public utilities that own, operate or control transmission facilities. The proposed SGIA's and SGIP's are based on existing agreements and procedures already used in several states.

On October 25, 2001, the Commission issued an advanced notice of proposed rulemaking to develop standardized generator interconnections agreements and procedures for all sizes of generators. After an extensive collaborative process with the industry, public and other governmental entities, in April 2002 the Commission proposed interconnection standards and agreements. At that time, the Commission noted that

(2)

appropriate standards encourage needed investments, discourage discrimination and ease entry for competitors.

In numerous comments on that proposal, small generators asked for streamlined procedures and less complex interconnection requirements that would better suit their lower impact on the grid. This new proposal responds to the small generators' requests, separating small generators' interconnection from the ongoing process for large generators.

The Commission also announced that it will hold a public conference on September 9 and 10 to discuss issues related to the proposed standardized procedures and agreements. The Commission asks that participants to this conference form working groups to develop consensus on SGIAs and SGIPs for small generators equal to or less than 2 megawatts and also for generators between 2-20 megawatts.

Comments on today's proposed rule are due by November 4, 2002 and should be submitted to the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426. After considering these comments, the Commission will issue a notice of proposed rulemaking before the end of the year, with the expectation that a final rule will be issued in March 2003.

R-02-32

(30)