

GridWise Alliance Newsletter
July 2020 State Policy Update
By Karen Wayland

This month's newsletter profiles the growing partnership between the National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Energy Officials (NASEO). David Terry, NASEO's Executive Director, told me that the collaboration began when the two organizations recognized that climate and energy policy and rapidly evolving technologies were blurring the line between regulated and unregulated activities. State energy offices, with their broad purview across issue areas, could work more closely with regulators to achieve policy goals and smooth the regulatory process by sharing information and coordinating processes.

Electric vehicles were the trigger, according to Terry. State policy makers and energy offices have been driving policies to promote the adoption of EV's and installation of supporting infrastructure that in many states requires regulatory action at the public utility commission for implementation and cost allocation. Better communication and coordination of processes between the governors' energy staff and state regulators can improve outcomes. Coordination has evolved beyond EV's. I often cite the process my adopted state of Nevada took recently in considering whether to implement a storage mandate. The state legislature passed a bill requiring the energy office to conduct a study of storage with consideration of mandate; the energy office commissioned the study, and the public utility commission opened a docket to collect comments on the report.

UPDATE: FERC Dismisses NERA Net Metering Petition

Last month's newsletter included a discussion the petition from the New England Ratepayers' Association (NERA) challenging state jurisdiction over net metering for distributed generation, claiming these transactions are wholesale in nature and therefore the jurisdiction of FERC. This month, all four FERC commissioners rejected NERA's petition, with Chair Neil Chatterjee stating, "We find that the petition does not identify a specific controversy or harm that the commission should address in a declaratory order." The decision on procedural grounds did not address any of the underlying issues, and at this month's NARUC Summer Policy Summit, Chatterjee noted he could not comment because the issue is under rehearing, other than that he was pleased that the decision was unanimous. [This decision in no way closes the debate over jurisdiction for net metering, since the commissioners' statements indicate FERC may open a general rulemaking.](#)

There are currently four joint NARUC-NASEO state task forces working on comprehensive energy planning, microgrids, grid-integrated efficient buildings, and distributed solar cybersecurity. The most recent initiative creates an advisory team to develop cybersecurity strategies and promote tools and technical assistance for mitigating the risks of cybersecurity vulnerabilities in solar energy developments.¹ A Microgrids State Working Group is exploring policy and regulatory frameworks, financing models and best practices related to microgrid technologies and applications.²

[Grid-integrated Efficient Buildings](#) (GEB): Seventeen states have formed a working group to develop strategies and policies to optimize the benefits of flexible management of building and facility energy loads to occupants, owners and the grid. The GEB Working Group efforts have already produced

¹ <https://www.naruc.org/about-naruc/press-releases/naseo-and-naruc-announce-initiative-on-cybersecurity-in-solar-projects-cybersecurity-advisory-team-for-state-solar-catss/>

² <https://www.naseo.org/taskforces>

significant resources available to the public, and more are in development. Upcoming releases and webinars include:

- DOE [Building Technologies Proving Ground - Public Sector Field Validation FOA](#); concept paper due July 27, 2020 5:00 pm ET
- Upcoming webinar [NASEO-NARUC GEB Working Group Webinar: Grid-interactive Appliances](#) July 27, 2020, 3:00pm-4:30pm ET
- [DOE GEB Technical Report Webinar Series](#) (May 19, 26; June 2, 9, 16, 23, 30 - slides at DOE GEB [page](#) under "Technical Reports" and via [Resources](#) page)

[Comprehensive Electricity Planning](#): The Task Force on Comprehensive Electricity Planning brings together fifteen states (Figure 1) over two years to participate in four workshops with state energy and commission officials/staff action plans to align distribution system planning and resource system planning. The states are diverse across geography, market models, planning approaches and state policy goals. With comprehensive planning coordinated across policy and regulatory agencies, the states will create roadmaps to:

- Improve grid reliability and resilience
- Optimize use of distributed and existing energy resources
- Avoid unnecessary costs to ratepayers
- Support state policy priorities
- Increase the transparency of grid-related investment decisions

Task Force members identified fifteen topic areas for which they requested technical resources, including ratemaking, data access, grid modernization, forecasting, procurement, and risk analysis. Technical experts and stakeholders compiled a [lengthy list of publications for each topic](#), available online to the public.

	Does IRP		Active Dist. Planning Proceeding		Retail Competition		IOU Owns Generation		Capacity Market	
	Approach		Market Model							
Arizona	●	○	○	●	○					
Arkansas	●	●	○	●	●	●				
California	●	●	●	●	●	●				
Colorado	●	●	○	●	●	○				
Hawaii	●	●	○	●	●	○				
Indiana	●	○	○	●	●	●				
Maryland	○	●	●	○	●	●				
Michigan	●	●	●	●	●	●				
Minnesota	●	●	○	●	●	●				
North Carolina	●	○	○	●	●	○				
Ohio	○	●	●	●	●	●				
Puerto Rico	●	○	○	●	●	○				
Rhode Island	○	●	●	○	●	●				
Utah	●	○	○	●	●	○				
Virginia	●	○	●	●	●	●				

Key

Yes

Partial

No

Key Yes ●
Partial ○
No ○

Figure 1. States participating in NARUC-NASEO Task Force on Comprehensive Electricity Planning