

## Resolution Endorsing the Development of Model Interconnection Agreement and Procedures

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**WHEREAS**, The National Association of Regulatory Utility Commissioners (NARUC) has previously adopted numerous principles, policies, and resolutions supporting and encouraging State Commissions to take action recognizing the present and future importance of Distributed Energy Resources to the nation's energy systems; and

**WHEREAS**, The Resolution to Adopt Full and Open Access Rules for Distributed Generation Technologies and to Remove Regulation Barriers and Promote "Best Practices" That Encourage Economic Deployment of Distributed Generation Technologies, adopted at the Summer Meeting on July 26, 2000, reviewed the many and substantial benefits and potential benefits of Distributed Generation and Distributed Energy Resources, and also set forth NARUC's many prior resolutions and actions in support of Distributed Energy Resources; and

**WHEREAS**, Congress has continued to propose and debate various approaches to the removal of barriers to the full and open access and interconnection of Distributed Energy Resources to the nation's energy systems, and the Federal Energy Regulatory Commission ("FERC") has initiated an Advance Notice of Proposed Rulemaking ("ANOPR") entitled "Standardizing Generator Interconnection Agreements and Procedures (Docket No. RM02-1-000, issued October 25, 2001) and is expected to begin a subsequent rule making procedure as a result of the ANOPR that will be directed toward adopting national interconnection procedures and agreements applicable to interconnections subject to FERC jurisdiction; and

**WHEREAS**, Members of State commissions' staff, representing the Committees on Electricity and Energy Resources and the Environment, have participated in the FERC ANOPR proceedings on behalf of NARUC and have raised the issue of the development of a model interconnection agreement and procedures for potential use by the States where interconnection is within State jurisdiction in the course of that proceeding; and

**WHEREAS**, Several State legislatures and State Commissions have addressed utility specific requirements for interconnection to electric power systems for the safe and reliable operation of distributed generation technologies; and

**WHEREAS**, Prior resolutions have recognized that coordination

among the States could improve the consistency of treatment so important to the efficient integration of distributed energy resources; and

**WHEREAS**, Increased national consistency will lower entry barriers and enhance business economic efficiency, yet overly prescriptive national standards would fail to allow for real differences among States, utilities, and customers, and the ready availability of NARUC developed model agreements and procedures will aid in balancing those concerns; and

**WHEREAS**, The preparation of model interconnection agreement and procedures by NARUC could provide significant support and efficiencies to those States which have yet to address the challenges of distributed energy resources, and the consideration, adaptation or adoption of such models could provide material assistance in achieving the coordination among the states called for by previous resolutions; now therefore be it

**RESOLVED**, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its February 2002 Winter Meetings in Washington, D.C., endorses the development of model interconnection agreement and procedures under the direction of its Committees on Electricity, Energy Resources and the Environment and Finance and Technology; and be it further

**RESOLVED**, That the development of model interconnection agreements and procedures shall begin with the review and synthesis of the significant accomplishments of those states which have already addressed, or have begun the process of addressing the issues and challenges presented by distributed energy resources and their access and interconnection to state jurisdictional electric power systems.

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Sponsored by the Committee on Electricity and the Committee on Energy Resources and the Environment

Adopted by the NARUC Board of Directors February 13, 2002