

# EPA Act 2005's Five New PURPA Standards: Déjà Vu

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# Déjà Vu All Over Again

- This is the third go-around with PURPA standards
  - The original PURPA standards in the 1978 Act
  - The PURPA standards in EPAct 1992
  - The five new PURPA standards in EPAct 2005
  - Only those approaching retirement have been thrice stricken



# Déjà Vu - *continued*

- A PURPA standard requires each state commission to consider and determine, with respect to each electric utility for which it has ratemaking authority, whether or not it is appropriate to implement the standard for the purposes of carrying out the title



# Déjà Vu - *continued*

- Consideration must be made after public notice and hearing
- The determination must be in writing and based upon findings included in the determination and upon evidence presented at the hearing



# Déjà Vu - *continued*

- Is the standard appropriate to implement for carrying out PURPA Title I's purposes?
- The Title I purposes are to encourage
  - Conservation of energy supplied by electric utilities
  - The optimization of the efficiency of use of facilities and resources by electric utilities
  - Equitable rates to electric consumers



# Déjà Vu - *continued*

- Consideration and determination of a PURPA standard is mandatory.  
Adoption and implementation is **NOT** mandatory.
  - But you can determine that the standard is not appropriate to implement
  - You can determine that a standard is appropriate to carry out the purposes of the title, but decline to implement the standard



# Déjà Vu - *continued*

- Consideration and determination of a PURPA - *continued*
  - You can determine the standard is appropriate and implement it
  - You can determine a standard is not appropriate to implement because of otherwise applicable state law



# The Five New PURPA Standard

- The five new PURPA standards are:
  - Net Metering
  - Smart Metering (with Time-Based Rate Schedules)
  - Interconnection Standard
  - Fuel Sources Standard
  - Fossil Fuel Generation Efficiency Standard



# Schedule

<b>Standard</b>	<b>8/8/06</b>	<b>8/8/07</b>	<b>8/8/08</b>
Net Metering		C	D
Smart Metering w/investigation deadline of 2/8/07	C	D	
Interconnection	C	D	
Fuel Diversity		C	D
Fossil Fuel Gen. Efficiency		C	D
<b>C=Begin Consideration D=Make Determination</b>			

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# Déjà Vu - *continued*

- Missing the deadlines for determination of a PURPA standard, triggers a requirement that the consideration and determination take place in the first subsequent rate proceeding

