CLEAN Version of JCP&L's Proposed Revisions to F. DeSanti
Proposed DG Definition

Proposed Definition of Distributed Generation:

The following definition of "Distributed Generation" is proposed for use in utility standby tariffs:

"Distributed generation," for purposes of applying utility standby tariffs, means a small electric production facility that is a district energy system, a combined heat and power facility (as defined in section 3 of P.L.1999, c.23 (C.48:3-51)), or which generates energy from other forms of clean energy efficient electric generation systems, located at a customer's site within the franchised service territory of the utility and used exclusively to meet the customer's load requirements at the site that maintains a 12 month rolling average monthly capacity factor in excess of 50% (as set forth in the utility's tariff).[1] Such Distributed generation may utilize (i) non-renewable fossil fuels (*i.e.*, fossil fuels), provided that such fossil fuel systems qualify as clean, energy-efficient electric generation systems, or (ii) clean energy and renewable resources, including water, bio mass fuels (*e.g.*, farm waste), but, in either case, excluding any generating systems that are net-metered under the Board's net-metering regulations; provided, however, that the Distributed generation (from any permitted fuel source) maintains a 12 month rolling average monthly capacity factor in excess of 50% (as set forth in the utility's tariff). Interconnection of Distributed generation with the utility distribution or transmission system must be at the voltage and electrical characteristics suitable for connection to the customer's side of the meter and consistent with both the utility's interconnection requirements and tariff provisions.

The following Distributed generation resources, meeting the above criteria and qualifications, are eligible for the utility's standby tariff:

- Combined heat and power systems (as defined in section 3 of P.L.1999, c.23 (C.48:3-51));
- Fuel Cells;
- Micro-turbine technologies;
- Tri-generation Systems (simultaneous production of thermal heating, cooling, and electric production);
- Stirling engines;
- Clean-energy and renewable resource non net-metered electric generation systems (meeting the capacity factor requirement above).

[1] Please note that JCP&L's current tariff, which would be expanded to include DG, does not use the terminology "capacity factor," but rather refers to, and defines, the use of Generation Availability (GA). GA is the customer's Annual Average Generation on peak (based on a rolling 12 months) (AG) divided by contract demand (CD). Accordingly, for purposes of a generic or generally applicable definition of DG that refers to a capacity factor, JCP&L would need to clarify that for purposes of its tariff, the use of the term "capacity factor" refers to GA as defined in its tariff.

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Unless and until further determined by the Board (after application made and an opportunity to be heard by all interested parties), the following technologies, whether or not meeting the capacity factor requirements set forth above, do not qualify as Distributed generation eligible for the utility's standby tariff:

- Reciprocating engines;
- CHP Micro-grid technologies; and
- Any other clean, energy-efficient electric generation system not specifically listed above.