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To: Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

2005 AUG 11 A 8:35

AZ CORP COMMISSION  
DOCUMENT CONTROL

Date: August 9, 2005

Re: Distributed Generation Workshop: Interconnection Issues  
Docket No. E-0000A-99-0431

Dear Sir/Madam:

Arizona's 1999 draft interconnection guidelines are not sufficient, in general, for allowing DG to compete fairly and were originally thought to be a path to Arizona adopting the National effort by IEEE that led to the IEEE 1547 and 1547.1 Interconnection Standards. As the world's leading manufacturer of stationary fuel cell power plants, including installations in Arizona, we strongly recommend that Arizona adopt the IEEE 1547 interconnection standard. A unified, safe and fair interconnection standard is mandatory to making DG competitive.

- All technical and operational requirements should follow IEEE 1547 (as referenced in the draft interconnection rule), rather than standards unique to Arizona alone. This high-profile effort involved more than 350 participants from all aspects of the power industry. IEEE is the leading authority on electrical engineering technical standards. There are no compelling reasons why Arizona should not follow IEEE 1547.
- Interconnection standards should be used to ensure that distributed energy is connected safely, reliably, and without undue hassle. They should not be used as a tool for utilities to prevent or add costly unnecessary steps to distributed generation projects.
- Set timelines, set fees, and a clear step-by-step process are essential.
- The importance of fair and specific procedural issues, timing, certification, fees, pre-interconnection study requirements, and non-circumvention rules cannot be overstated.
- FERC and many other states have already adopted IEEE 1547, or are moving towards adopting, fair interconnection standards that clearly set out the technical and procedural issues, without giving unfair advantage to the electric utilities. Arizona should do the same.
- If the IEEE 1547 interconnection rule was in place in Arizona, we'd be able to do more business in Arizona, and we'd have fewer unnecessary costs added to DG projects in Arizona.

Sincerely,

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Original + 13 copies of the foregoing filed Docket Control on August 9, 2005

cc: Erin Anderson  
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