**PENNSYLVANIA**

**PUBLIC UTILITY COMMISSION**

**Harrisburg, PA 17105-3265**

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|  | Public Meeting held April 5, 2018 |
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| Commissioners Present: |  |
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| Gladys M. Brown, Chairman | |
| Andrew G. Place, Vice Chairman  Norman J. Kennard  David W. Sweet  John F. Coleman, Jr. | |
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| Final Policy Statement on  Combined Heat and Power | Docket Number:  M-2016-2530484 |

**ERRATA NOTICE**

On April 5, 2018, the Pennsylvania Public Utility Commission (Commission) adopted a final policy statement Order and Annex, the purpose of which is to help advance the development of combined heat and power (CHP) systems in the Commonwealth. The April 5, 2018 Order and Annex at this Docket are available on the Commission’s website.

The Commission releases Errata to the Annex of the April 5, 2018 Order. The Errata correct the following formatting errors:

* On page 4 of the Annex at subsection 69.3202(b)(2)(ii), the struck through word “Standardization” is replaced by the struck through word “Streamlined” that was in the original proposed policy statement.
* On page 4 of the Annex at subsection 69.3202(b)(2)(vi), the word “applicable” is capitalized and not underlined as it is language added in the final policy statement.
* On page 5 of the Annex at subsection 69.3202(b)(4), the underlining of the word “SERVICE” is removed as that word was not in the proposed policy statement.

Please find the attached corrected pages 4 and 5 for your records. The corrected April 5, 2018 Final Policy Statement Order and Annex are available on the Commission’s website.

The contact person for any questions regarding this Errata is Kriss Brown at (717) 787-4518 or kribrown@pa.gov, Assistant Counsel, Law Bureau, at (717) 787‑5000.

(3) A DESCRIPTION OF CHP PROJECTS THAT ARE SCHEDULED TO INTERCONNECT TO THE DISTRIBUTION COMPANY’S SYSTEM OR ARE UNDER PRELIMINARY INTERCONNECTION PLANNING DISCUSSION FOR FUTURE INTERCONNECTION.

(4) A DISCUSSION OF CHALLENGES FOR CHP DEVELOPMENT THAT OCCURRED DURING THE TIME PERIOD COVERED BY THE REPORT AND ANY RECOMMENDATIONS THAT MIGHT IMPROVE OR HASTEN THE DEVELOPMENT OF CHP SYSTEMS.

(5) A DESCRIPTION OF EFFORTS TAKEN BY THE DISTRIBUTION COMPANY TO OBTAIN THE INFORMATION FOR THE REPORT.

(b) In addition to the requirements in subsection (a), each EDC shall report:

(1) Its communications strategy relevant to CHP ~~systems.~~ SYSTEM DEVELOPMENT.

(2) Its interconnection terms and conditions, including BUT NOT LIMITED TO:

(i) CHP specific interconnection fees.

(ii) ~~Streamlined procedures,~~ EFFORTS TO STREAMLINE PROCEDURES, including well-defined application processing timelines and simple decision trees which are based on the characteristics of the project and for which interconnection procedures apply.

(iii) ~~Standardized~~ EFFORTS TO STANDARDIZE technical requirements.

(iv) ~~Standardized, simplified~~ EFFORTS TO STANDARDIZE AND SIMPLIFY application forms and contracts.

(v) ~~A simplified, defined~~ EFFORTS TO SIMPLIFY AND DEVELOP A DEFINED process to address disputes.

(vi) ~~The~~ EFFORTS TO FACILITATE THE ability for larger CHP systems and those not captured under the net metering regulations to meet APPLICABLE interconnection standards.

(VII) CHANGES TO PREVIOUSLY REPORTED INTERCONNECTION TERMS AND CONDITIONS.

~~(3) Actual interconnection fees collected from each CHP facility.~~

~~(4)~~ (3) Actual electric generation delivered to all customers with CHP by the EDC on an hourly basis for ~~the preceding 24-month period.~~ THE 24‑MONTH PERIOD BEFORE AND AFTER THE CHP SYSTEM BECAME OPERATIONAL. IF HOURLY USAGE DATA IS NOT AVAILABLE, ONLY MONTHLY USAGE INFORMATION IS REQUIRED TO BE REPORTED.

~~(5) The information in subsection (a)(i)(iv) in chart form.~~

~~(6)~~ (4) Any ~~standby~~ rates ~~applicable~~ to CUSTOMER ACCOUNTS WITH CHP systems ~~offered by tariff,~~ including, BUT NOT LIMITED TO, STANDBY, backup service, scheduled maintenance service and supplemental ~~services~~ SERVICE RATES. The discussion must address the circumstances under which the rates apply and the level of each rate element.

~~(7)~~ (5) As to each tariffed rate identified in ~~paragraph (6)~~ PARAGRAPH (4), discuss:

(i) The methodology used to design each customer, demand, and energy rate element.

(ii) Whether the rates reflect cost differentials for daily and seasonal fluctuations in usage.

(iii) Whether the rates encourage the scheduling of maintenance at non‑peak times.

(c) In addition to the requirements in subsection (a), each NGDC shall report:

(1) How it encourages industrial, commercial, and institutional CHP projects, INCLUDING ITS COMMUNICATIONS STRATEGY RELEVANT TO CHP SYSTEM DEVELOPMENT.

(2) Any separate ~~rate classes~~ RATES it has for customer accounts with CHP systems.

(3) ACTUAL NATURAL GAS DELIVERED TO ALL CUSTOMERS WITH CHP BY NGDC ON A MONTHLY BASIS FOR THE 24‑MONTH PERIOD BEFORE AND AFTER THE CHP SYSTEM BECAME OPERATIONAL.

(4) ANY NGDC CAPITAL COSTS INCURRED AND NOT RECOVERED FROM THE CUSTOMER ACCOUNT WITH CHP AND ESTIMATED