

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ENERGY COMMISSION

<p>IN RE: ENERGY COMMISSION INVESTIGATION REGARDING THE STATE OF PUERTO RICO'S ELECTRIC SYSTEM AFTER HURRICANE MARIA</p>	<p>CASE NO: CEPR-IN-2017-0002</p> <p>Subject: Request for Public Comments</p> <p>Issue: Implementation of regulatory actions to facilitate the tasks of restoring electric service and encourage the deployment of new technologies</p>
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EXECUTIVE SUMMARY AND GENERAL COMMENTS

COMES NOW INSTITUTO DE COMPETITIVIDAD Y SOSTENIBILIDAD ECONOMICA DE PUERTO RICO (ICSE), through the appearing attorney and respectfully alleges and prays:

First: PREC should learn from, and approach the issues raised in this Request for Comments, from the experiences and perspectives of the Telecommunications Regulatory Model.

Second: PREC should opt for the least regulatory intervention possible, limited to guaranteeing fair access to the grid, facilitating interconnection, implementing wheeling and eliminating roadblocks to the establishment of micro grids, opening up to as varied experimentation as possible of economic and organizational microgrid models.

Third: PREC cannot act alone. Many of limitations to the establishment of micro grids and other form of non-centralized energy production (PREPA's Model) are stymied the by Planning Board, OGPe, Autonomous Municipalities and other government entities.

A clear government wide public policy by the central government that overrides specific agency and/or municipal limitations is necessary.

Fourth: PREPA, or whoever is in charge of the main electric grid, must move to establish a smart grid. Only under a smart grid can the total benefits of microgrids integrated to the main grid, such as TOU, distributed energy, demand response and support to the main grid from the microgrids, can be achieved.

Fifth: The legal framework is already in place. Law 57 of 2014, Law 133 of 2016 and Law 82 of 2010 grant wide latitude and authority to the PREC and without doubt provide clear public policy favoring microgrids, distributed energy, renewable energy, etc.

Sixth: There should not be a single model for microgrids. Diversification, open market- open technologies, will provide the variety of opportunities which will sort themselves out in terms of best legal organization, best available financing, and the best technologies.

Neither should the microgrid models limit the individual capacity of Municipalities, Coops, solar communities, NGO's, private industrial, residential, commercial entities or individuals, to build and operate their own microgrids.

Seventh: Solar based microgrids with battery support storage can be an immediate, cost effective short term solution, to help solve the urgent need of individuals, business, buildings, and small communities which now are without power, as solutions based on fixing the main grid and PREPA's production are far away.

Eighth: Financing for microgrids can come from the public sector, both federal and state; from the private sector, from NGO's and communities, from developers and installers of microgrids.

Ninth: Microgrids, when connected to the main grid, can serve as important providers of resiliency and support to the main grid when it falters.

Tenth: Interconnection to the grid should be as smooth as possible, with technical standards limited to the minimum that is required, based on real proven experiences of interconnection standards in other jurisdictions.

Eleventh: The PREC should open an accelerated proceeding to deal with alternatives to the Aguirre Gas Port to facilitate prompt transition to gas based energy production. Also it should open a fast track proceeding to establish a 5 year evaluation of microgrids and to reopen the 20 year IRP to provide for bigger microgrids projects which could cover whole towns and cities.

Twelfth: The PREC should correct its interpretation and eliminate behind the meter charges to renewable production.

In a way, as a summary, it can be said:

“Small is beautiful” (E.F. Schumacher, using a phrase from his teacher Leopold Kohr).