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## **Distributed Generation Principles**

*December 2013*

The Public Generating Pool (PGP) is composed of ten consumer-owned electric utilities in Washington and one consumer-owned electric utility in Oregon. Collectively, PGP member utilities serve approximately one million customers. PGP has developed the following principles to provide input and support dialogue about the implementation of Distributed Generation in Oregon and Washington.

### **PRINCIPLES**

As public utilities operating consistent to local interests, PGP Member Utilities **support customer choice** given that it can be achieved in a manner that does not negatively impact other customers. This requires:

- **Equitable allocation of costs among customers**
  - Utilities must have the discretion to develop rate design consistent with cost causation
  - Utilities maintain the discretion to acquire distributed generation consistent with need and avoided cost
  - Recognition of the value of utility grid
  - Clear communication with customers about cost, value, role, responsibility and obligations
  
- **Local decision making**
  - Recognition of the different value and impacts of distributed generation based on utility-specific conditions
  - Implementation through utility-specific programs and/or participation
  
- **System reliability and safety**
  - Provide for appropriate regulation to assure clarity about the responsibilities and obligations of third-party owners
  - Ensure safety of utility workers and customers while providing a robust and reliable distribution system
  - Ensure consistency with federal, state, and local requirements and responsibilities
  
- **Clearly stated objectives and analysis for legislative actions**
  - Robust economic analysis of the costs and alternatives to achieve objectives (e.g. GHG reductions, economic development)
  - Decisions are informed by a comprehensive understanding of West Coast market impacts

### **Public Generating Pool**

Chelan County PUD / Clark Public Utilities / Cowlitz County PUD / Douglas County PUD / Eugene Water & Electric Board  
Grant County PUD / Klickitat County PUD / Lewis County PUD / Pend Oreille County PUD / Snohomish County PUD / Tacoma Power