

# The Commonwealth of Massachusetts

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## DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 19-55-B

June 23, 2020

Inquiry by the Department of Public Utilities on its own Motion into Distributed Generation Interconnection.

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### ORDER ON INTERIM GUIDANCE FOR INTERCONNECTION OF QUALIFYING FACILITIES

## I. INTRODUCTION AND PROCEDURAL HISTORY

On May 22, 2019, the Department of Public Utilities (“Department”) opened Inquiry by the Department of Public Utilities on its own Motion into Distributed Generation Interconnection, D.P.U. 19-55. In this proceeding, the Department is investigating the interconnection of distributed generation (“DG”) pursuant to the Standards for Interconnection of Distributed Generation tariff (“DG Interconnection Tariff”) and Distributed Generation Interconnection, D.P.U. 11-75-E (2013).<sup>1</sup>

On December 26, 2019, the Department issued a Hearing Officer Memorandum seeking written comments on (1) whether qualifying facilities (“QFs”)<sup>2</sup> should be subject to the DG Interconnection Tariff, including the time frames for interconnection set forth in the DG Interconnection Tariff and (2) whether a DG facility taking service as a QF or seeking to take service as a QF should be allowed to be paired with an energy storage system for purposes of taking net metering service. In response, the Northeast Clean Energy Council submitted comments on April 24, 2020, and, on May 1, 2020, NSTAR Electric Company

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<sup>1</sup> The following are each Distribution Company’s currently effective DG Interconnection Tariff: Eversource M.D.P.U. No. 55; National Grid M.D.P.U. No. 1320; and Unitil M.D.P.U. No. 269. The DG Interconnection Tariff describes the process and requirements for an interconnecting customer to connect a power-generating facility to a Distribution Company’s electric power system, including discussion of technical and operating requirements, metering and billing options, and other matters, except as provided under the applicable tariff of ISO New England Inc., and/or under the Department’s Qualifying Facility Regulations in 220 CMR 8.04. See e.g., Eversource DG Tariff, M.D.P.U. No. 55, § 1.1.

<sup>2</sup> QF means “small power producers and cogenerators that meet the criteria specified by FERC in 18 C.F.R. §§ 292.203(a) and (b).” 220 CMR 8.02 (Definitions).

d/b/a Eversource Energy (“Eversource”), Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (“National Grid”) and Fitchburg Gas and Electric Light Company d/b/a Unitil (“Unitil”) (together, the “Distribution Companies”) and the Massachusetts Department of Energy Resources submitted comments.

## II. SUMMARY OF COMMENTS

Based on the directives contained in this Order, the Department finds that it is not necessary to summarize stakeholder comments regarding the interconnection of QFs here. The Department will summarize these comments in Rulemaking to Amend 220 C.M.R. 8.00, D.P.U. 17-54.<sup>3</sup>

## III. ANALYSIS AND FINDINGS

The Department’s regulations at 220 CMR 8.00 govern, among other things, the interconnection of QFs to the Distribution Companies’ electric power systems and the rates paid by the Distribution Companies for the purchase of energy from QFs. 220 CMR 8.04, 8.05. On September 19, 2019, the Federal Energy Regulatory Commission (“FERC”) issued Implementation Issues Under the Public Utilities Regulatory Policies Act of 1978, a notice of proposed rulemaking (“NOPR”). 168 ¶ FERC 61,184 (September 19, 2019). If FERC approves the NOPR’s proposed modifications to 18 C.F.R. § 292.304(d) from the currently

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<sup>3</sup> The primary purposes of the Department’s rulemaking in D.P.U. 17-54 are (1) to update the rates paid by the Distribution Companies for the purchase of energy from QFs at 220 CMR 8.05 consistent with 18 C.F.R. § 292.304(d) and related policies of the Federal Energy Regulatory Commission and (2) to update the arrangements between QFs and Electric Distribution Companies for these purchases at 220 CMR 8.03(1)(b). D.P.U. 17-54, at 5.

effective version, the Department would be required to amend its regulations at 220 CMR 8.05 governing the rates paid by the Distribution Companies for the purchase of energy from QFs and its regulations at 220 CMR 8.03(1)(b) governing the arrangement between the Distribution Companies and QFs for these purchases. On November 13, 2019, in light of the significant modifications currently under consideration at FERC and their potential to impact the Department's regulations at 220 CMR 8.00, the Department issued a Hearing Officer Memorandum suspending its rulemaking proceeding in D.P.U. 17-54 pending further direction or action by FERC.

In practice, the Distribution Companies apply the provisions of their DG Interconnection Tariffs for the interconnection of QFs. The Department intends to formally clarify the process for interconnection of QFs in D.P.U. 17-54. At this time, the Department finds that the Distribution Companies' practice for the interconnection of QFs is consistent with equal treatment of similarly situated generation facilities and the effective administration of Distribution Companies' interconnection process.

While D.P.U. 17-54 is suspended, the Department seeks to provide interim guidance on the interconnection of QFs. Based on the uncertain outcome of the FERC NOPR and based on our findings above, the Department finds that good cause exists to grant a temporary exception to the regulations at 220 CMR 8.04 governing the interconnection of QFs to the Distribution Companies' electric power systems. Therefore, until the rulemaking in D.P.U. 17-54 is concluded and the Department clarifies the interconnection of QFs under 220 CMR 8.00, the Distribution Companies shall interconnect QFs pursuant to the provisions

of their respective DG Interconnection Tariffs. The Department may issue additional interim guidance as required in this docket.


IV. ORDER

Accordingly, after due consideration, the Department

FINDS: That, pursuant to 220 CMR 8.08(3), it appropriate for the Department to grant an exception to 220 CMR 8.04; and it is hereby

ORDERED: That Fitchburg Gas and Electric Light Company d/b/a Unitil, NSTAR Electric Company d/b/a Eversource, and Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid shall interconnect qualifying facilities to their electric power systems in accordance with their respective Standards for the Interconnection of Distributed Generation Tariff on file with the Department unless otherwise ordered by the Department.

By Order of the Department,

  
Matthew H. Nelson, Chair

  
Robert E. Hayden, Commissioner

  
Cecile M. Fraser, Commissioner