

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 17-164-A October 15, 2020

Joint Petition of Fitchburg Gas and Electric Light Company d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid, and NSTAR Electric Company d/b/a Eversource Energy for approval of a proposed revision of Section 3.4.1 of the Standards of Interconnection of Distributed Generation Tariff.

ORDER ON MODEL COMPLIANCE FILING

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<u>Petitioner</u>

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<u>Intervenor</u>

I. INTRODUCTION AND PROCEDURAL HISTORY

On April 8, 2020, the Department of Public Utilities ("Department") approved the proposed revisions to Section 3.4.1 of the Standards of Interconnection of Distribution Generation Tariff ("DG Interconnection Tariff") filed on March 1, 2019 by Fitchburg Gas and Electric Light Company d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid, and NSTAR Electric Company d/b/a Eversource Energy (together "Distribution Companies") subject to certain amendments and modifications. Order on Revisions to Section 3.4.1 of the Standards of Interconnection of Distributed Generation Tariff, D.P.U. 17-164 (April 8, 2020). On April 30, 2020, the Distribution Companies jointly submitted a compliance filing including a model tariff. In the compliance filing and accompanying cover letter, the Distribution Companies proposed alternative tariff language to Section 3.4.1(e) to address their safety and reliability concerns regarding preceding customers' abilities to opt out of a Group Study¹ or a group interconnection solution (Distribution Companies April 30th Cover Letter at 2-3; Distribution Companies April 30th Compliance Filing, Section 3.4.1(e)). Without the revised tariff

Group Study refers to "a modified Impact Study that is performed for a Group of applications whenever two or more applications are awaiting completion of a Preceding Study within a Common Study Area, as provided in Section 3.4.1 [of the DG Interconnection Tariff]. The Group Study shall be performed once the Preceding Study is completed, instead of each application undergoing Impact Studies sequentially." Fitchburg Gas and Electric Light Company d/b/a Unitil—M.D.P.U. No. 269, § 1.2 (Definitions – "Group"); Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid—M.D.P.U. No. 1320, §1.2 (Definitions – "Group"); NSTAR Electric Company d/b/a Eversource Energy—M.D.P.U. No. 55, §1.2 (Definitions – "Group").

language, the Distribution Companies relayed a concern that an individual customer interconnection solution might, if constructed without consideration of the existing interconnection queue in the Common Study Area,² delay or block the interconnection of additional distributed generation ("DG"), require facilities to be de-constructed or re-constructed, and/or cause unnecessary costs for other interconnecting customers (Distribution Companies April 30th Cover Letter at 2-3).

The Department convened a conference call with the parties on May 14, 2020 to discuss the Distribution Companies' compliance filing. Following the conference call, the Department directed the Distribution Companies to further revise their joint model compliance filing to more narrowly tailor the proposed revisions in Section 3.4.1(e) to conform to the May 14, 2020 discussion.³ The Department directed the Distribution Companies to file the revisions with the DG and Clean Energy Ombudsperson ("Ombudsperson") no later than May 29, 2020 (Hearing Officer Memorandum (May 21, 2020)). Interested parties could file comments, limited to the further revisions filed by the

Common Study Area means "a discrete portion of the [Distribution] Company [electric power system] EPS where the operation of multiple Interconnecting Customers' Facilities may have cumulatively adverse EPS impacts." Fitchburg Gas and Electric Light Company d/b/a Unitil—M.D.P.U. No. 269, § 1.2 (Definitions); Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid—M.D.P.U. No. 1320, §1.2 (Definitions); NSTAR Electric Company d/b/a Eversource Energy—M.D.P.U. No. 55, §1.2 (Definitions).

The Department further directed the Distribution Companies to resolve inconsistencies in the proposed revisions to the definitions of Group Study and Preceding Study discussed during the May 14, 2020 call (Hearing Officer Memorandum (May 21, 2020)).

Distribution Companies, no later than June 3, 2020 (Hearing Officer Memorandum (May 21, 2020)). On May 29, 2020, the Distribution Companies submitted a revised compliance filing consisting of proposed language changes to Sections 3.4.1 and 1.2 of the DG Interconnection Tariff ("Revised Compliance Filing"). On June 3, 2020, The Northeast Clean Energy Council ("NCEC") filed comments in opposition to the Distribution Companies' revised compliance filing.

II. DISTRIBUTION COMPANIES' REVISED COMPLIANCE FILING

In pertinent part, in Section 3.4.1(e), the Distribution Companies propose to include the following: "the avoidance of constructing an individual interconnection solution(s) that will materially conflict with the Group Study solution necessary to accommodate additional DG in the Common Study Area, such that the Company would be required to reconstruct, deconstruct or otherwise materially modify the individual interconnection solution(s)" (Exh. JDT-2, Section 3.4.1(e)).

III. COMMENTS ON THE REVISED COMPLIANCE FILING

NECEC states that the Department was clear in its directives in approving revisions to Section 3.4.1 of the DG Interconnection Tariff that an interconnecting customer reserves the ability to opt out of a Group Study in the absence of safety or reliability concerns (NECEC Comments at 1). NECEC recommends that the Department reject the Distribution Companies' revised compliance filing for several reasons, including: (1) the safety and reliability reason identified by the Distribution Companies fits into the category of compelling business and/or engineering reasons, which the Department identified as grounds for a

preceding customer to have opt-out rights; (2) the proposed definition for "safety or reliability" is overly expansive and risks leading to inefficient disputes; and (3) without conducting further study it is unclear how the Distribution Companies will determine safety and reliability reasons (NECEC Comments at 3). In the absence of safety and reliability concerns, NECEC asserts that the decision for a project to continue as a separate study or join in the group remains with the interconnecting customer (NECEC Comments at 4).

IV. ANALYSIS AND FINDINGS

The Department has the authority to approve, deny, or approve with modifications the Revised Compliance Filing. D.P.U. 17-164, at 5; <u>Model SMART Provision</u>, D.P.U. 17-140-A at 13 (2018). After review of comments and due consideration, we approve the Distribution Companies' Revised Compliance Filing subject to the additional requirement outlined below.

In D.P.U. 17-164, at 19 and 21, the Department directed the Distribution Companies to provide preceding customers the opportunity to opt out of a Group Study in the absence of a compelling safety or reliability reason that should supersede an individual solution. In our findings, we stated that "in the absence of a Distribution Company's safety or reliability concerns, the Department finds that an interconnecting customer with a preceding study shall have the option to opt-out of a subsequent group interconnection solution." D.P.U. 17-164, at 19. Specifically, we did not approve the Distribution Companies' proposal to impose the group interconnection solution on a preceding customer for compelling "business or engineering" reasons without providing the interconnecting customer with the option to opt

out. D.P.U. 17-164, at 19. Additionally, we found that "a Distribution Company is not required to offer an interconnecting customer with a preceding study the option to opt-out of a subsequent group interconnection solution if a Distribution Company identifies a compelling safety or reliability reason for a group interconnection solution to supersede an individual solution." D.P.U. 17-164, at 19.

Upon further review, the Department acknowledges that we did not fully contemplate

the scenario that the Distribution Companies expressed in their April 30th compliance filing. The Distribution Companies are responsible for the safety and reliability of their electric power systems. 220 CMR 11.01(1). They must ensure that changes to tariff provisions and other processes and procedures do not introduce adverse system impacts, including potential impacts related to DG interconnection. The Department established the Group Study provision to improve the efficiency of the interconnection process and the timely processing of interconnection applications without detracting from the Distribution Companies' obligation to ensure the safety and reliability of their electric power systems. D.P.U. 17-164, at 12. The Department finds that, in this limited instance, expanding consideration of safety and reliability reasons to include "the avoidance of constructing an individual interconnection solution(s) that will materially conflict with the Group Study solution necessary to accommodate additional DG in the Common Study Area, such that the Company would be required to reconstruct, deconstruct or otherwise materially modify the individual interconnection solution(s)" may facilitate a more efficient interconnection process, consistent with the intent of Group Study (see Exh. JDT-2, Section 3.4.1(e)). After review

and consideration, we find that the Distribution Companies' proposal will facilitate the efficient development of DG and promote the interests of interconnecting customers in the queue as a whole. Thus, we approve the Distribution Companies' proposed revisions to Section 3.4.1(e) subject to oversight set forth below.

While we approve an expanded definition of "safety or reliability reasons" to contribute to greater efficiency in the interconnection process, the Department expects that the Distribution Companies will make all reasonable efforts to limit instances in which a preceding customer's individual solution is superseded to avoid constructing an individual solution that materially conflicts with the Group Study solution. We share NECEC's concerns that a broad invocation of this expanded definition of safety or reliability could result in inefficiencies, including unnecessary disputes raised before the Department, thereby undermining the intent of Group Study. Accordingly, to promote accountability and transparency, the Department directs each Distribution Company to submit an informational filing identifying each instance in which the Distribution Company determines that a preceding customer may not opt out of the Group Study solution to avoid constructing an individual interconnection solution(s) that will materially conflict with the Group Study solution. Each Distribution Company shall submit the informational filing by the first of the month if a "safety or reliability" determination is made during the preceding month, beginning on December 1,2020 via the Department's DG Compliance Filing Submission

Form.⁴ Filings⁵ shall be made with appropriate redactions to allow for access, as appropriate, by interested stakeholders and the general public. A filing should state if no safety or reliability determination is made in the preceding month. Over time, the Department may determine whether additional information or further action is appropriate.⁶

V. CONCLUSION

We find that the Distribution Companies' Revised Compliance Filing is consistent with the public interest and the Revised Compliance Filing is approved. The Distribution Companies shall file the required informational filings to report on "safety or reliability" determinations commencing December 1, 2020. The Distribution Companies are not required to file company specific DG Interconnection Tariffs at this time because they will be required to do so with further revisions to the DG Interconnection Tariff directed in Order on Affected System Operator Studies, D.P.U. 19-55-C (August 6, 2020).

VI. ORDER

Accordingly, after notice, opportunity for comment, and due consideration, it is ORDERED: That the proposed revisions to Section 3.4.1 of the Standards of

https://www.mass.gov/forms/submit-distributed-generation-compliance-filings-and-letter-requests-to-the-ombudsperson.

Filings shall include a clear and concise explanation of the Distribution Company's determination in no more than five pages per determination.

If an interconnecting customer disputes the determination made by the Distribution Company, the customer may bring the dispute to the Department's Ombudsperson pursuant to Section 9 of the DG Interconnection Tariff. The dispute must be submitted via online form. https://www.mass.gov/infodetails/interconnection-dispute-resolution-guidance

Interconnection of Distributed Generation Tariff jointly filed by Fitchburg Gas and Electric Light Company d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, and NSTAR Electric Company d/b/a Eversource Energy on May 29, 2020, are APPROVED; and it is

FURTHER ORDERED: That Fitchburg Gas and Electric Light Company d/b/a
Unitil, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a
National Grid, and NSTAR Electric Company d/b/a Eversource Energy shall comply with all directives contained in this Order.

By Order of the Department,
/s/
Matthew H. Nelson, Chair
/s/
Robert E. Hayden, Commissioner
/s/
Cecile M. Fraser, Commissioner

An appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part. Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of the twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. G.L. c. 25, § 5.