

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES**

**Investigation by the Department of Public Utilities)
on its Own Motion into Electric Distribution)
Companies (1) Distributed Energy Resource) D.P.U. 20-75
Planning and (2) Assignment and Recovery of Costs)
for the Interconnection of Distributed Generation.)**

**INITIAL COMMENTS OF
MELINK SOLAR DEVELOPMENT**

Pursuant to the Notice issued by the Department of Public Utilities (the “Department”) on October 22, 2020, JCD Solar Consulting, LLC, d/b/a Melink Solar Development (“MSD”) files its Initial Comments in the above-captioned proceeding (the “Investigation”).

As an initial matter, MSD commends the Department for initiating the Investigation. As the Department knows, the development of distributed renewable energy generation on a timely, efficient and cost effective basis is crucial to the ability of both the Commonwealth and its municipalities to meet emerging clean energy requirements and aggressive “net zero emission” standards. At the same time, the development of these projects – most notably from an interconnection perspective – is time consuming and in many cases can be cost prohibitive. These challenges threaten to delay the achievement of the Commonwealth’s clean energy goals. While MSD does not take a specific position on the benefits or detriments of the Straw Proposal (or any of the alternative proposals that have been submitted), it fully supports the efforts of the Department and other stakeholders to address the rising costs and increasing delays that are associated with the interconnection of distributed renewable generation projects, and believes that the following initial comments will provide helpful background and insight to the Department as it continues the Investigation.

MSD has actively been developing distributed solar generation projects in the Commonwealth since 2017. Over the last three (3) years, MSD has filed interconnection requests with the electric distribution companies (“EDCs”) for projects which, in the aggregate, represent over 55 MWdc in nameplate generation capacity, and has paid over \$450,000 in related application/study fees to the EDCs.

Despite these payments, none of these projects have received an interconnection agreement from the relevant EDC. Instead, more than 14 MWdc of these projects remain under review in various “Area Studies” that are being conducted by the EDCs, the initial applications for which date back as much as thirty-three (33) months. In addition, another 18 MWdc of generation are awaiting further study as part of an EDC’s “interconnection study queue”, the earliest of which dates back nearly twenty-four (24) months. In a number of cases, an Area Study project has successfully emerged from the underlying study, only to be put back into a new study because other projects in the study (on which the proposed interconnection solution was based) had withdrawn their application, and/or the cost of the proposed interconnection solution rendered all of the projects in the study uneconomic.

After nearly three years, the EDC handling the Area Study projects recently shared the resulting Detailed Study analysis. Between May 2019 and completion of the Detailed Studies in October 2020, the attrition in projects participating in the study had decreased from 565 MW (the original scope for Part 2 of the Transmission Study) to only 234 MW across all EDCs. At the same time, however, these costs required for the distribution system upgrades necessary to decrease the remaining projects did not decrease proportionately. In this regard, MSD notes that one EDC (in a presentation dated November 20, 2020 providing an update on its Central & Western Massachusetts Study) indicated that its expected interconnection upgrade costs could be

as high as \$1.50/wdc (which is substantially above the national average (as published by NREL) of approximately \$0.11/wdc).¹ As a result, many of the remaining projects became uneconomic and will not proceed to construction, the EDCs will have wasted almost three years of time, applicants have likely spent nearly \$8 million on an aggregate basis to study projects that were rendered non-viable,² and the Commonwealth will be nowhere closer to achieving its required clean energy goals.

From the perspective of MSD, the foregoing summary demonstrates that the process for interconnecting a distributed solar generation project in Massachusetts is broken, and needs to be reformed in order to provide certainty to developers and ratepayers. To be fair, MSD understands that the EDCs manage some of the oldest electric distribution facilities in the country, that portions of their systems cannot absorb the interconnection of distributed generation projects without significant upgrades, and that it is a more than complex undertaking to attempt to evaluate over 500 MW of solar generation projects as part of a single Area Study. But unless and until the Commonwealth affirmatively decides to renounce its clean energy goals, these facts do not mean that nothing can or should be done to reform the interconnection process.

As an initial matter, MSD firmly believes that any decision to improve the interconnection process that results from the current Investigation should apply on both a prospective and retroactive basis, such that projects that remain pending in an EDC Area Study or are awaiting study as part of the EDC's interconnection study queue as of October 22, 2020

¹ In order for the Commonwealth to be able to reach its clean energy goals, MSD submits that the reasons behind this sizeable gap need to be fully understood and addressed by the Department as part of this Investigation.

² This amount represents MSD's estimate of the total application and study fees that may have been collected by the EDCs to date, and is based on the actual payments made by MSD to the EDCs, as applied on a pro-rata basis to the reported MW participating at the start of the cluster study and at the start of the Detailed Studies, as applicable.

(the date of the Department's Vote and Order Opening the Investigation) would benefit from any reforms which are enacted as a result of the Investigation. Otherwise, the interconnection process will likely become even more unmanageable, and many of the remaining pending projects will become uneconomic and withdrawn. Given the length of time and amount of money already invested by these pending projects, such a result would be extremely unfair to the developers of projects that have had their interconnection applications under review for the last several years while working to help Commonwealth meet its clean energy goals. Considering the potential for that on-going impact, MSD respectfully requests that the Department require the EDCs to (a) continue to study these pending projects, (b) include language in any interconnection service agreement that may be issued for one of these projects that confirms that the allocation of any interconnection upgrade costs to the project will be updated to reflect a final Order issued by the Department in this Investigation, and (c) suspend the collection of any interconnection upgrade costs from these projects until a final Order is issued by the Department in this Investigation.

Respectfully submitted,

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