



April 13, 2021

Mark D. Marini, Secretary
Department of Public Utilities
One South Station, 5th Floor
Boston, MA 02110

Via Email: dpu.efiling@mass.gov; katie.zilgme@mass.gov

D.P.U. 20-75 Attachment B-IRs to Stakeholders

Dear Secretary Marini,

We appreciate the collaborative process that the DPU has developed in the DPU 19-55, 20-75 and related dockets. The need for collaboration and regulatory reforms has heightened since these DPU dockets were initiated in 2019. With the passage of the climate law it is clear that the Commonwealth should not defer long-term capital improvements that are needed to move Massachusetts to net zero emissions. While we have been a Massachusetts leader in the development of solar and energy storage to date, continuing to deploy renewable energy while simultaneously converting the building and transportation sectors from thermal energy to electricity powered by renewables is going to take a system-wide restructuring of our distributed generation system and require the implementation of a fair and enabling cost allocation approach. The Department's proposed "provisional system plans" related to ongoing Electric Distribution Company ("EDC") group studies, if inclusive of system needs, are a significant step in getting us there. However, as demonstrated in the recent filings by the EDCs, financing the level of infrastructure required to enable current and future DER and allow for holistic system planning is dependent upon a new approach to cost allocation that recognizes the many beneficiaries of these system upgrades. We can no longer continue the continuous and cyclical nature of studies and the potential result of free-ridership that is stalling infrastructure investment and renewable energy development in Massachusetts. A provisional system planning program is critical to ensure that the hundreds of megawatts that have been developed and stalled for the last several years can interconnect and contribute to our clean energy goals.

As TJA and many others in the industry have expressed in prior filings with the Department and working group sessions with the EDCs, distributed solar projects are unable to bear interconnection costs that are above \$300/kW. While we appreciate that the EDCs have proposed a cost allocation framework that would share infrastructure costs among current and future DG projects as well as ratepayers, the costs proposed to be borne by DG projects under this



framework are untenable. Further it is not clear how the climate goals of Massachusetts, including advances in grid modernization and increased loads resulting from electrification of heating and transportation, have been factored into these proposals, considering the significant amount of pre-emptive grid hardening the substation and distribution infrastructure will provide to support the systems future needs and increased loads. If these costs cannot be reduced, many of the projects in the affected studies will withdraw, and any projects that remain will be stalled for yet another year or more in order to go through a re-study. We are eager to collaborate with the EDCs to attempt to identify more cost-effective methods for interconnecting these projects. Therefore, to supplement the Information requests (“IRs”) issued by the EDCs and the System Planning Analysis Proposals to be submitted to the Department on April 23, 2021 by each EDC, **we recommend that the Department initiate a Technical Conference for Eversource to present their current plan for Southeastern Massachusetts. The purpose of a Technical Conference would be to host a transparent dialogue and EDC and stakeholder collaboration to enable a pathway to optimize system plans within group study areas such that interconnection and upgrade costs are ultimately optimized and do not exceed a \$/kW threshold.**¹ This technical conference may also offer insight into the Department’s distribution system assessment process considered as part of the long-term system planning program considered in MA DPU 20-75.

Additionally, TJA is a member of the Northeast Clean Energy Council (“NECEC”) and the Coalition for Community Solar Access (“CCSA”) and we support those comments. TJA submits the following individual feedback to the Department’s Information Requests:

Stakeholder-1 Refer to the response to EDC-1. Do you currently have a distributed generation facility in the interconnection queue within one of the groups identified by the EDCs?

TJA is involved in the following Eversource Group Studies

- Marion - Fairhaven - 1 Project totaling 4.99 MW AC
- New Bedford - 3 Projects totaling 14.97 MW AC

¹ TJA supports previous stakeholder filings in MA DPU 20-75 and the upper bound limit of \$300/kW excluding Point of Common Coupling interconnection costs



Stakeholder-2 Refer to the response to EDC-1. Based on the high-level planning estimates for costs and timelines provided by the EDCs, would you move forward with interconnection under the currently applied cost causation methodology?

It is TJA's experience that the current upgrade and \$/kW fees presented in any of the options detailed in Eversource's Information Request in EDC-1 far exceed a level of affordability that would allow a project to remain viable.

Costs applied via Cost Causation.

Under the current cost causation methodology, and a pro-rata cost sharing within the Group, the system upgrades for the Groups that TJA is participating in range from \$2,880 /kW for the New Bedford Group Study (enabling 48 MW in Group Study) and \$3,270/kW for the Marion-Fairhaven Group Study (enabling 49 MW in Group Study). These costs far exceed the level of affordability that NECEC has included in comments (i.e. a \$300/kW Upgrade Cap) and far exceed historical averages included in Eversource's Information Request EDC-3.

In addition to affordability, an issue directly related to the cost causation methodology is how the system plans and high-level planning cost estimates may change as a result of attrition within a Group, and that these \$/kW fees can substantially increase with queue withdrawal. Should a \$/kW fee not be established by Eversource and approved by the Department for some level of enabled capacity there will be a continuous and undefined cycle of restudies for remaining projects within a Group to achieve an economic interconnection cost. Not only is this detrimental to the Group, but also to the rest of the interconnection queue by stalling the EDC and other pending projects.

Costs allocated according to Eversource's cost allocation proposal.

Interconnection costs, either under traditional cost causation or socialized amongst current and future DER, present a clear challenge to interconnect the projects immediately impacted in the Eversource Group Study. In Table 5 of Eversource's Information Request Eversource has indicated forecasted fees in accordance with their cost allocation proposal that vary by Group and range between \$340/kW to \$1,031/kW. These fees assume a level of socialization for transmission, substation, and distribution costs that provide a system benefit. We agree with the principles behind Eversource's approach. However, even with this methodology, and despite the current incentive levels of the declining-block SMART program, in Borrego's experience these costs far exceed a level of affordability that would allow a project to remain viable.



We recognize that these fee levels are preliminary, and we propose that a Technical Conference would be an appropriate forum to provide transparency into Eversource's system planning assumptions, alternative solutions, and cost saving mitigations, and to provide an opportunity to optimize the level of infrastructure needed to enable the Group and future DER. The EDCs and industry may be able to overcome some of the construction timeline and cost issues by working towards development of mutually beneficial technical solutions. This type of group discussion has worked to enable solutions in other markets and facilitates a certain amount of process buy-in from all stakeholders involved. A collaborative technical conference/workgroup should be included in the requirements for the development of the provisional system planning program.

Stakeholder-3 Refer to the response to EDC-1. If a provisional system planning program were implemented that decreased the cost to interconnect but did not alter the timeline for EPS upgrade construction, would you move forward with Interconnection?

Yes. As expressed in filings made in MA DPU Docket No. 20-75 by the Northeast Clean Energy Council ("NECEC") TJA, like many clean energy project developers, requires certainty in interconnection cost and schedule in order to execute an Interconnection Agreement and continue investment for a particular project. Should the provisional system planning program identify a clear and reasonable fee structure and a schedule for the upgrades upon which a particular project is dependent, this would allow for continued financing of the project, establishment of an SOQ, and needed certainty to align the timing of permitting and construction for our solar and/or storage project. While there may be others in the industry that can tolerate more or less time, **TJA suggests that 3 years is the maximum construction duration.**

It is also critical for EDCs to work with developers to identify opportunities to interconnect projects in advance of comprehensive area upgrades when possible. For example, there are instances where additional transformers may be required for future enabled DER. In those cases, a project should be able to use existing facilities, where there is capacity, to interconnect in advance of a comprehensive area upgrade. Again, these opportunities could be identified collaboratively within the framework of a technical conference / working group process and before a provisional system program is filed by the EDC.

Stakeholder-4 Refer to the response to EDC-4, how long following submittal of a provisional system planning program proposal by the EDCs would the Department need to make a determination on the proposal for you to move forward with interconnection?



At minimum the provisional system planning program should be submitted to the Department simultaneously with the release of Group Study results for the affected Group Studies, with a 45 Business Day period for department review, stakeholder comment, and the issuance of an order.

Eversource has projected Group study completion between August 2021 - October 2021 due in part to the creation of +/- 25% study estimates pursuant to the tariff. Eversource further indicated in Information Request EDC-4 that they expect a 3-month period would be needed between the completion of Group Studies and the filing of the provisional plans, which would delay the completion and submittal of a provisional system plan until November 2021 - January 2022. Given that many of the projects awaiting the completion of Group Studies originally applied for interconnection service in 2018, this additional delay is onerous. The Department should consider whether the filing of a full provisional system program needs to be delayed until the group study completion date, or whether Eversource can prepare the provisional system plan in parallel with the Group Study, so that they can be completed at the same time. A technical conference, as recommended above, could help provide clarity as to the content and format of the provisional system plans, and the early review of information could help to accelerate the review for impacted stakeholders.

The Group Study Process in Section 3.4.1 of the Standards for Interconnection of Distributed Generation outlines a series of steps that occur after the release of Group Study including a 15 Business Day Notice Period and 35 Business Days for the EDC to issue an Interconnection Service Agreement.² Group Study members will not be able to make their election until the provisional system plan has been approved by the Department. Therefore, we recommend that the preparation of the provisional system plan proceed in parallel with the Group Study, and that the Group Study Notice Period be paused until the Department issues an order for the provisional system plan. Upon plan approval, group study members will provide notice and the EDC can proceed with the issuance of Interconnection Service Agreements. Below is an example of this sequence based on Eversource Group Studies:

Step	Duration
Technical Conference / Stakeholder Process	May - June 2021
Group Study Complete	August - October 2021

² This timeline excludes the potential for restudies with undefined timing that may occur in the event of Project withdrawal within the Group and prevent the issuance of Interconnection Service Agreements.



EDC Filing of Provisional System Plan (per Group)	August - October 2021
Department review and approval of provisional system plan	45 days from EDC Filing
EDC to amend Group Study results and fees (as applicable)	10 Business Days from approval
Group Members to review results and notify EDC of whether they wish to proceed / withdraw ("Notice Period")*	15 Business Days
Interconnection Service Agreement issuance (if Affected System Operator study is complete) *	35 Business days

**Denotes existing Group Study Process Tariff timelines*

Stakeholder-5 Are there any federal law implications that should be considered concerning sharing costs of EPS upgrades with interconnecting customers over an extended period of time and in particular after the EPS upgrade has been constructed?

[refer to NECEC's comments]

Sincerely,

TJA Clean Energy, LLC

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