



April 13, 2021

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

**Re: Response to the First Set of Information Requests of the Department of Public Utilities to Stakeholders to the D.P.U. 20-75 Electronic Distribution List**

Dear Secretary Marini,

Borrego Solar Systems Inc. ("Borrego") appreciates 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, the Commonwealth should not defer long-term capital improvements that are needed to move Massachusetts to net zero emissions. While we have been a national leader in the installation 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 Borrego 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 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.** 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, Borrego is a member of the Northeast Clean Energy Council ("NECEC"), the Coalition for Community Solar Access ("CCSA") and the Solar Energy Business Association of New England ("SEBANE"). We support those comments and submit the following individual feedback to the Department's Information Requests

We thank you for considering our input and feedback and we look forward to working together to maintain the Commonwealth's leadership and success in advancing its ambitious climate goals.

Respectfully,

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*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?*

Borrego is involved in the following Eversource Group Studies:

- Marion - Fairhaven - 3 Projects totaling 10.99 MW AC
- New Bedford - 2 Projects totaling 10.00 MW AC
- Plymouth - 8 Projects totaling 28.795 MW AC
- Cape - 3 Projects totaling 9.360 MW AC

The Interconnection Application dates for these projects span from 2017 to 2020.

Additionally, Borrego was a participant in the National Grid 2019-2020 western/central Massachusetts area studies that resulted in distribution upgrade costs of \$681/kW to \$852/kW in addition to extremely costly long-lead transmission upgrades. We have consequently withdrawn those projects from the Interconnection Queue and the National Grid Group studies recently initiated in the same area.



*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 Borrego's experience that the current upgrade and \$/kW fees currently presented in 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.**

Under the current cost causation methodology, and a pro-rata cost sharing within the Group, the system upgrades for the Groups that Borrego is participating in range from \$1,977 /kW for the Plymouth Group Study (enabling 126 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 notably 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 presented may change because of attrition within a Group which cause the \$/kW fees to dynamically change with each project 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.

Interconnection costs, either under traditional cost causation or socialized amongst current and future distributed energy resources, 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 and substation costs that provide a system benefit. We agree with the principles behind Eversource's approach and note that system benefits and socialization should extend to distribution infrastructure costs as well. However, it is Borrego's experience that even with the proposed methodology, and despite the current incentive levels of the declining-block SMART program, the currently forecasted \$/kW fee levels far exceed a level of affordability that would allow a project to remain viable.

We recognize that these fee levels are preliminary and currently do not account for the numerous distribution system benefits that customers in southeastern Massachusetts will utilize in the decades to come. We propose that a Technical Conference would be an appropriate forum to provide transparency into Eversource's system planning assumptions and identification of distribution system benefits, cost and time saving mitigations, and to provide an opportunity to optimize the level of infrastructure needed to enable the Group, future projects, and load customers. 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 while ensuring the level of infrastructure planned meets our future needs. 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 for each EDC prior to the submission of a final program for the Department's approval.



*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") Borrego, like many clean energy project developers, requires certainty in interconnection cost and schedule 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, and some decisions may be project -specific, **Borrego 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. 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
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?*

Borrego is not aware of any federal law implications associated with sharing costs of EPS upgrades with interconnecting customers. The sharing of distribution costs is already envisioned in several tariffs approved by state regulatory commissions including those in New York and Maine. Additionally, transmission upgrades planned for and implemented by Affected System Operators, including the transmission companies affiliated with the EDCs, are currently allocated to the EDCs through existing FERC approved tariffs, including both regional and individual local service tariffs of the Open Access Transmission Tariff. We agree with Eversource that the Department should not be prohibited from forming a cost recovery method for state-jurisdictional interconnection customers that identifies and approves the mechanism the EDC's will utilize to allocate transmission costs associated with the infrastructure needed to meet the Commonwealth's public policy needs.