

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](mailto:dpu.efiling@mass.gov); [katie.zilgme@mass.gov](mailto:katie.zilgme@mass.gov)

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

Dear Secretary Marini,

We appreciate the opportunity to share our experiences with the Group Study process, and we also commend the efforts of the DPU, the EDCs, and other stakeholders to address interconnection issues in a collaborative and constructive process through Dockets 20-75 and 19-55. The recent passage of the Massachusetts Climate Law, and the vision laid out in the Clean Energy and Climate Plan, emphasize the urgency of investing in clean energy infrastructure. We support a provisional system planning program to support the efficient interconnection of the clean energy projects that are needed to meet the Commonwealth's clean energy and greenhouse gas reduction goals. We find it is critical to address cost causation in a manner that does not place the burden of system-wide and societal benefits only on distributed solar projects.

Catalyze 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), and supports the responses filed by those organizations. We also submit the following 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?**

Yes. Catalyze has four projects in the Eversource Cape Group Study. Three projects are sized just under 500 kW (496 kW<sub>AC</sub> each). The fourth project is a 5 MW<sub>AC</sub> community solar plus storage project. These projects have all been directly impacted by the Group Study process and have experienced delays that have pushed back the Commercial Operation Date of each by a minimum of 12 months.

#### **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?**

The data provided by the EDCs indicate that the current cost causation methodology would result in costs that are not feasible for our projects.

Estimates for interconnection costs to projects in the Cape Cod Group Study are \$486/kW, which is well above our threshold for viable interconnection costs. Three of the projects Catalyze has in this Group Study are just under 500 kW; two of these projects could sustain interconnection costs around \$120/kW. Our third 500 kW project filed for interconnection in 2018, and we estimated far lower interconnection costs for that project. The estimates provided by the EDCs reflect interconnection costs that are rising significantly from past averages, while simultaneously, project revenues are declining as SMART incentive blocks fill up rapidly. We support NECEC's response that interconnection costs above \$300/kW are untenable even under optimal circumstances for large projects over 500 kW, and caps should be scaled to account for project size. Some projects will be more sensitive to high interconnection costs, particularly as early stage projects fall into later SMART incentive blocks at lower rates.

As demonstrated by these filings, financing the level of infrastructure required to enable current and future projects and allow for comprehensive system planning depends on a new approach to cost allocation that recognizes the many beneficiaries of these system upgrades. The level of infrastructure proposed by Eversource and National Grid will have a significant impact on the Commonwealth's ability to electrify the grid, support increased loads and meet climate goals and these costs cannot be attributed to distributed-connected solar projects alone.

We support industry calls for a Technical Conference or stakeholder forum for each EDC to provide transparency into system planning assumptions, alternatives considered, current capacity available, and cost saving mitigations. A forum for stakeholder discussion would be key to determining how to optimize planning in necessary distribution system investments and ensure the costs of such investments do not exceed a viable threshold for project developers.

### **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?**

The result of a provisional system planning program should be a clear \$/kW fee structure and schedule that will enable these projects to execute an Interconnection Service Agreement. The comprehensive upgrades envisioned by Eversource and National Grid span over the next five years. Some of our Group Study projects have been in the queue for 2-3 years already, and such delays result in material threats to project viability. Our projects cannot tolerate the 4-5 year timelines presented by the EDCs. The long delays our projects have experienced result in significant lost value, as we have made investments in development fees and equipment costs, but are unable to move the project forward until the interconnection studies are resolved. This type of delay has a significant impact on a project's return and can have a chilling effect on potential investors. The EDCs should identify opportunities for as many projects as possible to interconnect in advance of comprehensive upgrades. A Technical Conference would be a constructive forum to discuss strategies to accelerate study and approval timelines.

### **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?**

We encourage the Department and EDC's to accelerate the submittal and review period of provisional system plans. The provisional system plans should be prepared in parallel with the group study and finalized simultaneously with the completion of the Group Study itself. We suggest that 45 days is an acceptable amount of time between the final provisional system plan submittal and the review and approval period for the Department.

### **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?**

We do not have feedback on this question.

Sincerely,



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