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April 13, 2021

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

VIA EMAIL to dpu.efiling@mass.gov, peter.ray@mass.gov, and katie.zilgme@mass.gov.

DPU 20-75 - Investigation by the Department of Public Utilities On Its Own Motion Into Electric Distribution Companies' (1) Distributed Energy Resource Planning and (2) Assignment and Recovery of Costs for the Interconnection of Distributed Generation

RE: Department's First Set of Information Requests to Stakeholders (Attachment B)

Dear Secretary Marini,

BlueWave Solar (BlueWave) respectfully responds to the information requests posed by the Department of Public Utilities (DPU, or the Department) to stakeholders participating in docket 20-75. We appreciate the collaborative process DPU has led in the docket thus far and encourage further stakeholder engagement between distributed generation (DG) stakeholders and the electric distribution companies (EDCs). BlueWave thanks the EDCs for their thoughtful and informative set of responses to the DPU's information requests, and looks forward to seeing future system planning proposals. Continued collaboration will lead to solutions that decrease costs and timelines even further from current measures the EDCs have proposed.

The EDCs' proposed cost allocation strategies are an important step towards stabilizing DG interconnection costs in the long term. However, BlueWave and other stakeholders still need predictability and structure to plan and execute on the significant number of DG projects needed to reach the Commonwealth's clean energy goals. Provisional system planning will be instrumental in reaching better interconnection outcomes, but we cannot wait for current group studies to be completed before deciding on long-term solutions. As it stands, it is unclear if the EDCs can meet the group study timelines. Further delay will be untenable to participants in current group studies, while risking the long-term viability of DG interconnections in Massachusetts.

BlueWave joins NECEC and others in calling for a technical conference to discuss next steps and fair, viable solutions with the EDCs and affected stakeholders. We specifically support NECEC's cost allocation proposal, as well as their proposed \$300,000/MW cap on individual developer interconnection upgrade fees. Continued collaboration, as well as consideration of creative solutions, will enable EDCs to realize some of the significant infrastructure investments they have proposed, while working within individual developer budgets and timelines.

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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?

BlueWave has projects in the following Eversource group studies:

- Marion-Fairhaven: 1.5 MW (2 projects)
- Plymouth: 19 MW (4 projects)

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?

BlueWave could not move forward with our affected projects under the current cost causation methodology. We must make significant changes to ensure the long-term viability of the DG industry in Massachusetts. Even though the EDC proposals represent an improvement from original cost estimates, BlueWave and other DG developers simply cannot swallow costs above the upper bound of \$300,000/MW. We encourage the DPU to define this cap to hold EDCs accountable for affordable interconnections. Doing so will also create certainty that individual developers need in order to interconnect important DG projects.

The EDCs' proposed cost sharing mechanism socializes upgrade costs with all future interconnections made possible by an upgrade. BlueWave agrees that interconnection costs should be socialized, however, all beneficiaries of DG interconnection should be included in a cost sharing mechanism. NECEC has proposed that all DG interconnections that trigger a costly upgrade should pay a fair contribution towards that upgrade. An important distinction under NECEC's mechanism, however, is that the benefiting ratepayers should also bear some of the upgrade costs.

While considering other mechanisms to lower costs and shorten timelines, BlueWave urges the DPU to further analyze the cost estimates shared by the EDCs in their responses. Additional detail is needed to understand baseline scenarios that the EDCs used to calculate cost estimates as currently proposed. Under what scenarios could the interconnections cost per MW be less, and how did the EDCs determine each specified level of upgrade? It would be helpful for the DPU and other stakeholders to view any sensitivity analysis for levels of upgrades below what has been presented in the EDC responses. By understanding the steps that have been taken to arrive at cost estimates, we can likely identify workable solutions at a lower cost per MW.

BlueWave joins NECEC in calling for a technical conference to discuss a workable cost sharing mechanism that will move group studies forward in a timely and equitable manner. Collaboration on all fronts will allow EDCs to prioritize upgrades while incorporating industry perspectives, including the \$300,000/MW cost cap proposed by NECEC. Because the current EDC proposals do not consider developer flexibilities, and do not incorporate the specifics of NECEC's proposed cost sharing mechanism, they lack the nuanced dialogue needed to advance creative solutions and prioritize efficiently. BlueWave is hopeful that a technical conference can

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bring all parties to the table and create a path forward for group study timelines, as well as the EDCs' proposed comprehensive system upgrades.

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?

BlueWave could not move forward with interconnecting our projects under the current timelines proposed by the EDCs. It is imperative that we act quickly and collectively. Timelines are equally critical to the success of DG projects as are the cost considerations described above. For example, BlueWave and other developers are relying on soon-to-sunset ITC funding to make our projects feasible. We cannot afford project completion dates that are three to five years out, as the EDCs have proposed. The critical issue of timing underscores the need to get all parties at the table, working out cost-effective and efficient solutions.

Notwithstanding the need to reevaluate and prioritize group study upgrades, DPU should direct the utilities to allow a pathway for developers to interconnect before comprehensive area upgrades are completed. This option would be an important solution to currently unworkable timelines.

In addition, DPU should direct the EDCs to employ creative solutions such as procurement, self-performance, permitting and design planning. All these solutions are discussed in detail in NECEC's proposed cost sharing mechanism, and can be further iterated upon during a technical conference in this docket. While a technical conference will keep us moving towards workable timelines, we still urge DPU to define an upper limit beyond which delays are unacceptable.

In short, DG developers need interconnections to happen expeditiously, and certainly much faster than the EDCs have proposed. We are ready to work with the DPU and EDCs to ensure that critical DG interconnections can meet both developer timelines and provisional system planning goals.

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 EDCs to file their provisional system planning program proposals as soon as possible. BlueWave urges the EDCs to provide their provisional system planning proposals in advance of group study results if the latter do get delayed. The technical conference recommended above can inform the EDCs' long-term planning while helping to expedite current group study results.

When the EDCs proposed provisional system planning program is made available, BlueWave urges the DPU to act swiftly. The typical process for stakeholder comment and Department

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review should be followed, but BlueWave urges the DPU to undergo a fast track. A timeline of 30 business days would be reasonable for stakeholders to contribute meaningful feedback while moving the process forward expeditiously.

Further, BlueWave urges the DPU to consider that DG developers will be relying on provisional system planning to inform their decisions as participants in a group study. There will be significant risk in making project-level decisions before the DPU has approved each EDC's provisional system plan. It follows that the group studies must be conducted in parallel to the stakeholder process revolving around the proposed provisional system plans. In addition, any group study Notice Period should be paused until participants can make an informed decision based on the DPU's approval of these plans. Only then should the group study timelines be in effect.

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?

Please refer to NECEC's comments.

Thank you for your consideration and for the opportunity to comment. We would be happy to respond to any questions or concerns. BlueWave stands ready to continue collaboration with the EDCs and other stakeholders in this docket. Together, we can efficiently and cost-effectively deliver the DG interconnections needed to reach Massachusetts' ambitious clean energy goals.

Sincerely,

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