

April 13, 2021

Mark D. Marini, Secretary  
Department of Public Utilities  
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**Re: D.P.U. 20-75 Attachment B-IRs to Stakeholders**

Dear Secretary Marini,

Nexamp, Inc. appreciates the collaborative process that the DPU has developed in the DPU 19-55, 20-75 and related dockets and Hearing Officer Memorandum issued on March 23, 2021. Nexamp was founded in Massachusetts over a decade ago. Since that time, we have evolved from a small residential solar installer to a vertically integrated clean energy company, developing solar and storage projects. As a vertically integrated solutions provider that owns and operates projects throughout their useful life, Nexamp has a vested interest in ushering in the next era of grid integration and electrification in Massachusetts.

The long-term investments of companies such as Nexamp will be required in order to meet the Commonwealth's net-zero emissions goals. Nexamp supports the DPU's suggested provisional system planning program and believes it is a necessary first step to enable hundreds of megawatts of clean renewable energy which supports the Commonwealth's clean energy goals. These system plans will also provide a near-term roadmap for how the Commonwealth deploys the needed infrastructure to decarbonize and modernize the electric system.

Nexamp is a member of both the Coalition for a Community Solar Access (CCSA) and the Northeast Clean Energy Center (NECEC), and we support the comments submitted in the docket by both organizations. Nexamp provides its responses to the DPU's Information Requests below:

**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?**

Nexamp has several projects currently under review spanning a number of the EDC's group studies. Nexamp has withdrawn several projects from group study due to associated upgrade timeline and cost estimates.

**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 costs outlined in the EDCs responses, \$848/kW - \$4,608/kW for Eversource, and \$1,977-\$3,913/kW for National Grid, as apportioned by the current pro-rata cost sharing principle, will be prohibitive for all

Nexamp projects. Without a robust cost allocation methodology Nexamp will not be able to complete interconnection on any projects in the prescribed group study areas. Eversource attempts to address the current cost recovery challenges in its response via socialization of transmission and distribution costs. Nexamp agrees with the principles set forth in Eversource's response. In the instance that a capacity/beneficiary based cost allocation method is approved by the DPU that results in DG interconnection upgrade costs more in line with historical averages, and the EDC's are incentivized to accelerate construction timelines, Nexamp would likely move forward with most projects currently in group study, barring other extenuating circumstances.

Considering that the group studies themselves are staggered, and include various levels of saturation, upgrades, and complexity, there should be some flexibility and variability in construction timelines. Eversource makes an attempt at scaling the group study construction timelines, which Nexamp appreciates and believes could be workable for many projects. Eversource states that they are, "currently investigating options to accelerate these schedules looking at critical path milestones." Nexamp asserts that all EDC's should be compelled to consider doing the same.

Nexamp is curious if either EDC has seriously considered alternative solutions to either the timelines for connecting projects and/or the planned traditional upgrades. Examples of solutions encompass but are not limited to: DERMS, storage based RFPs, and pre-programmed output limits. The EDCs and industry may be able to overcome some of the construction timeline and cost issues by coming together to discuss mutually beneficial technical /alternative solutions such as those suggested. Working group discussions have enabled solutions in other markets and generally facilitate a certain amount of process buy-in from both the development community as well as the utilities involved. In order to facilitate these discussions, a collaborative technical conference/workgroup should be included in the requirements for the development of the EDCs provisional system plans.

**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?**

Assuming that a provisional system planning program will introduce more certainty for construction timelines and costs, it is almost certain that Nexamp would be able to work within the timeframes communicated by Eversource. Construction timelines that exceed 5 years are not feasible, regardless of whether or not a provisional system plan is implemented. There are many facets of project development and construction that make an extended construction lead-time unfinanceable. Project considerations such as site control, permitting, and revenue agreements require a considerable amount of capital and resources to maintain and also have finite terms that are subject to expiration, in almost all cases less than five years. Delayed PTO and NTP dates present meaningful time value of money considerations in the feasibility of a project. Some projects may be able to manage the risk of a 5-year construction lead time, but it is not feasible for most projects. Nexamp suggests a target of 3 years or less for all construction timelines related to EPS upgrades. Nexamp also suggests that the EDCs investigate any and all options to accelerate construction timelines and/or earlier interconnection for a subset of projects.

**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?**

The provisional system planning proposals should be published as soon as practicably possible following the closure of the group study process. If the DPU follows the EDCs proposed timeline we will not see their provisional system plans until, at the earliest, late 2021/early 2022 for Eversource and Fall of 2022 for National Grid. Considering the lengthy administrative and regulatory processes that these plans

necessitate (i.e., comments, IRs, hearings) having actionable information as soon as possible is beneficial to all stakeholders.

**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 response to this matter.

Respectfully,



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