



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)

**Re: D.P.U. 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**

Dear Secretary Marini,

I am writing to provide the response of Longroad Energy ("Longroad") to the First Set of Information Requests to Stakeholders, pursuant to the Hearing Officer Memorandum issued on March 23, 2021, by the Hearing Officer in the above-captioned docket.

Headquartered in Boston, Longroad engages in renewable energy project development, operating assets, and services. The company owns over 1.6 gigawatts (GW) of operational and under construction wind and solar projects across the United States. Our services affiliate, Longroad Energy Services, operates and manages 3.5 GW of wind and solar projects between our assets and projects we operate on behalf of third parties.

We appreciate the collaborative process that the Department of Public Utilities (the "Department") has developed in its interconnection related dockets (D.P.U. 19-55, D.P.U. 20-75, and D.P.U. 20-63, and other related dockets). The recent passage of the climate law<sup>1</sup>, and the attendant load growth from the electrification of the transportation and building sectors, increases the urgency of long-term capital investments to achieve net-zero emissions. Longroad views the Department's proposed "provisional system plans", allowing the interconnection of hundreds of megawatts of Distributed Energy Resources ("DERs") currently in group study as a significant step in the right direction. However, as demonstrated in the electric distribution companies' ("EDC") recent filings, the degree of investment required to allow current and future DERs to come online in the timeframes required for the Commonwealth to meet its clean energy goals requires an entirely new approach to cost allocation—one that recognizes the many benefits (and beneficiaries) of a truly distributed network.

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<sup>1</sup> Stat. 2021 c. 8 (2021).

Longroad supports the solar industry consensus, as expressed in prior filings with the Department as well as during working group sessions with the EDCs, that interconnection costs in excess of \$300 per kilowatt (kW) represent a “tipping point” beyond which projects become uneconomic. While the cost sharing framework put forth by the EDCs in last week’s filing is made more equitable by placing some of the burdens on future distributed generation projects and ratepayers, the costs borne by all members of the current group studies still exceed the \$300/kW threshold. The Commonwealth’s climate goals demand investment in the electric grid on an unprecedented scale, and to the extent the upgrades contemplated in this proceeding move us closer to those goals, those benefits should be accounted for by the EDCs as well.

Lastly, Longroad supports the comments filed by the Northeast Clean Energy Council (“NECEC”) in this matter.

We submit the following responses 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, Longroad is currently developing two such facilities:

- Plymouth (Wareham) – 1 Project totaling 3.5 MWac
- Freetown (Assonet) – 1 Project totaling 4.5 MWac

**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 clearly demonstrates that the current cost causation methodology will not allow these projects to interconnect, and even when infrastructure costs are spread between current and future projects, these costs are untenable.*

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. These costs cannot be attributed to distributed-connected solar projects alone.

We support 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. The solar industry has expressed in prior filings with the Department that distributed solar projects larger than 500kW are unable to bear interconnection costs above \$300/kW or \$0.20/watt. It is therefore critical that a forum for stakeholder discussion and feedback be performed in parallel to the Group Studies for these projects to remain viable.

### **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 process should be a clear \$/kW fee structure, and a rational payment schedule that aligns with engineering, procurement and construction milestones. This will enable projects to execute an Interconnection Service Agreement, and justify continued investment. Longroad's projects have already been in the queue for nearly two years, and a construction timeline of more than three years from now (5 years total) would be untenable. There is a balance of both costs and time that play into an individual project's economics, and in this instance, proposed timetables exceeding 3 years would likely result in the project's failing to proceed.

### **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 EDCs to accelerate the submittal and review period of provisional system plans. The provisional system plans should be prepared in parallel 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 the Department's approval period.

### **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?**

The EDCs correctly point out that where there are wholesale transactions of energy by facilities interconnected to the distribution system that such lines become FERC jurisdictional. If a DER seeks interconnection on such a line and intends to participate in wholesale markets (e.g., Forward Capacity Market), it would be subject to FERC's open access tariff and would be required to execute a small generator interconnection agreement under Schedule 23 as opposed to an ISA with the relevant EDC. As a result such facilities would be subject to cost principles under FERC rules and not any cost allocation proposals adopted by the Department and implemented by the EDCs. It appears that implementation of FERC Order 2222 would allow such DERs to remain in the state jurisdictional process, with FERC not exercising jurisdiction over such facilities, but ISO-NE is still in the process of finalizing its compliance obligations under this order, so final rules and definitions are not yet in place. While this question should preclude continued progress on cost allocation proposals, Longroad asks the Department to be mindful of the jurisdictional issues and to develop solutions that are as equitable and flexible as possible to accommodate this fluid jurisdictional question.

Sincerely,



Matthew T. Kearns

Chief Development Officer