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May 21, 2021

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

Re: 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:

The Massachusetts Office of the Attorney General ("AGO") submits the following response to the Department's Second Set of Information Requests to Stakeholder, Information Requests Stakeholder 2-1 and 2-2. The AGO offers no response to 2-3 as it does not sponsor DG facilities that will be impacted by the response to 2-2.

Sincerely,

/s/ Elizabeth Mahony

Elizabeth Mahony
Shannon Beale
Ashley Gagnon
Assistant Attorneys General
Energy and Telecommunications Division

cc: Kate Zilgme, Hearing Officer

Information Request Department-Stakeholder 2-1:

Refer to National Grid's response to EDC-1, at 8-9. Please provide your perspective on National Grid's proposal to allocate up to 40 percent of the DG interconnection costs as system benefits to all customers.

Response:

As National Grid notes in its response, the enumerated potential benefits are offered on a conceptual level – the proposal of an up to 40 percent ratepayer share is a very expensive guess. Additional information is necessary to determine what shared benefits will be delivered, how these benefits are already captured by either grid modernization plans or performance based ratemaking (and if those programs should be altered), and what value the ratepayer base should contribute. Further, National Grid benefits touch on historical load growth in certain areas of the Commonwealth but fail to list the impacts these facilities will have in areas of anticipated load growth. The proposal also fails to address the alternatives that could be employed to produce benefits from building a nimbler distribution grid with these facilities to address such load growth.

Further, the SMART program is already an investment by ratepayers in these projects and the incentives being paid are in exchange for certain environmental and system benefits. As this question is contemplated, all stakeholders and the Department must be careful not to double count benefits that ratepayers fund. Consideration of the next layer of costs borne by ratepayers must consider all aspects – including which percentage every stakeholder benefitting from facilities should carry. Here, National Grid's proposal is the first attempt to quantify this balance between meeting the Commonwealth's clean energy goals (and SMART goals) and the cost necessary to interconnect and operationalize distributed energy resources. The current proposal, however, falls short of providing for the full consideration of alternatives (mitigation), the true (through the lens of the universe of programs feeding grid upgrades and the SMART program itself) nature of benefits to be gained, and calculation of the 40 percent itself.

The Attorney General's Office ("AGO") views National Grid's proposal as an effort to provide granularity on the Department's Straw Proposal and to open the discussion of not just how much but why ratepayer support should be included. While this 40 percent cost-share is offered for the specific \$895 million required to interconnect 1235 MW by 2027, as discussed in EDC-1-1, the

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concept sets expectations for DER development planning that may not be undone. Thus, the AGO requests further Department process in establishing this cost share before imposing this type of expense on ratepayers.

Information Request Department-Stakeholder 2-2:

Refer to Stakeholder responses to Stakeholder-4, which include recommendations for a 30-to-45-day Department review of an EDC's provisional system planning program proposal. Refer to (a) G.L. c. 30A, §§ 1(1), 10, 11, 12; and (b) 220 CMR 1.00. Considering the interests and issues involved in the review of an EDC's provisional system planning program proposal, the Department may be required to conduct the reviews of these proposals through an adjudicatory proceeding, which includes notice, intervention, discovery on petitioner's filing, opportunity for intervenors to file direct cases, discovery on intervenors' cases, opportunity to present rebuttal testimony, evidentiary hearings, briefs (initial and reply). Assume you are a party to an adjudicatory proceeding to review an EDC's provisional system planning program proposal, identify the time period you would request for each of these procedural steps.

Response:

The delay in interconnecting hundreds of megawatts of distributed energy resources ("DER") continues to frustrate all parties, and the potential for additional time before grid construction begins due to adjudication only compounds that frustration. However, the effort to fund a provisional system planning program is new and will be costly to all involved. Before ratepayer funds are committed, a full adjudicatory proceeding is necessary.

In an ideal scenario, such a proceeding would likely take nine months or longer from filing to decision. However, in recognition of the time pressures on stranded projects, the Department might consider the procedural schedule of the GSEP/GREC petitions. The six-month timeline is compressed and often difficult on parties. However, this schedule, with the addition of the opportunity for rebuttal testimony, allows for each of the due process elements needed here – discovery, testimony, rebuttal testimony, evidentiary hearings and briefing. Because there is no statutory requirement governing this proceeding, the Department would also retain flexibility to take more time for its decision making after reply briefs are filed. Having a full adjudicatory proceeding will best serve the ratepayers and preserve stakeholder rights.

A procedural schedule could look like this, based on previous GSEP/GREC dockets:

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Weeks after EDC petition filing	Procedural Action
11	Intervenor pre-filed testimony
12	Discovery Requests Due
14	Discovery Responses Due
15	Evidentiary Hearings
19	Simultaneous Initial Briefs
20	Simultaneous Reply Briefs