

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

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Inquiry by the Department of Public Utilities)	
on its own Motion into Distributed Generation)	D.P.U. 20-75
Interconnection)	
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The Department of Energy Resources (DOER) appreciated the opportunity to participate in the D.P.U. 20-75 technical session on whether the Department of Public Utilities (Department) should adopt a provisional planning process for interconnecting distributed generation currently in the queue. Time constraints prevented the Department from addressing discussion topic five, which was described in the hearing officer memorandum as:

- **Discussion Topic #5: What are we missing? (3:15-3:45 pm)**
 - The Department’s straw proposal, Hearing Officer memorandums, Information Requests, and the discussion today should provide a good idea of the key issues that we are considering in the investigation into whether to establish a Provisional Program.
 - Are there other issues or information that the Department should consider in its investigation?

DOER provides the following response to Discussion Topic #5:

- **Electrification and the Link to Affordable Transmission and Distribution Rates:** Stakeholders raised concerns regarding the high infrastructure costs associated with interconnecting projects through a provisional planning process, and the impact of those costs on customers. Stakeholders also raised the need to move forward with infrastructure investments needed to interconnect distributed generation (DG) in saturated areas despite the high investment costs.

- DOER would encourage the Department to consider the cost impacts on customers and the implications on electrification. Electrification will be a key pathway in the state's meeting its emission limits.¹ It is essential to ensure that electric rates remain affordable and economically transition customers away from traditional fossil fuel building and transportation options and towards electric substitutes.
- The Department should also consider potential safeguards in the provisional to ensure ratepayer benefits are maximized. Safeguards may include: limit total cost impact allowable within the provisional approvals, limit eligibility to only capital improvement projects (CIPs) which could construct on a relatively near timeframe, and/or limit eligibility to only CIPs which demonstrate specific broad ratepayer benefits. These types of criteria could be used to select the best CIPs to proceed with on a provisional basis while limiting total electric rate increases.
- **Provisional CIP Cost Allocation to Energy Storage in Existing Groups:** Where possible, the electric distribution companies should allocate costs according to the contribution to the need for an upgrade. From a policy perspective, DOER sees the opportunity for storage to accommodate more solar and the allocation should reflect that opportunity. If the Department approves CIPs with the provisional upgrade planning process, energy storage CIP fees should be established based upon their capacity contribution during the hours of system analysis that resulted in the need for the upgrade. This would align with the consensus revisions to section 3.4(d) of the interconnection tariffs to enable storage to provide seasonally variable operating schedules specifically for the purpose of avoiding consideration as exacerbating saturation challenges when they instead can operate to resolve saturation.
- **Enablement of Electrification and Additional DG:** DOER would like to understand how much electrification headroom will result from infrastructure investments proposed and approved under a provisional planning process. Ensuring this information is made readily available to DOER, other stakeholders, and the public will help maximize benefits of the investments by highlighting areas for targeting electrification and DG interconnections. It would be beneficial to understand why the electrification headroom is needed in the areas

¹ See *Massachusetts Clean Energy and Climate Plan for 2030*, available at <https://www.mass.gov/info-details/massachusetts-clean-energy-and-climate-plan-for-2030>.

supplied by CIPs as compared to other areas within the electric distribution company's territory.

- **Long-Term Implications:** The Department should require the electric distribution companies to provide additional information about future infrastructure investment needs beyond the provisional planning process, and to consider investments more holistically. It is likely that the areas requiring upgrades in the provisional process are substantially different from the areas of the electric distribution system which will require upgrades to host electrification. Electrification is anticipated to largely result in load growth at existing load sites. Solar saturation challenges are largely associated with solar developed away from load.
- **Maximizing Hosting Capacity of Investments:** DOER raised the need to defer and mitigate infrastructure investments as a central point in comments submitted in this docket.² Electric distribution company and developer representation acknowledged during the technical conference that a distributed energy management system (DERMS), for instance, will not be deployed in time to have an impact on the level of infrastructure investment to be considered in the provisional planning process. While DERMS would not be available for mitigation of provision projects, it should be modelled to be available in the future to support maximizing the amount of DG that can interconnect in the future. The inclusion of DERM analysis is important for determining how many MW of DG may contribute to CIPs in the future. Where DERMS increases the amount of DG, it may thus be able to either decrease the necessary ratepayer share of cost or decrease the CIP fee.

Respectfully submitted by,

THE MASSACHUSETTS DEPARTMENT
OF ENERGY RESOURCES

By its attorneys,

² See D.P.U. 20-75, DOER Initial Comments (Dec. 23, 2020).

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