

NEW HAMPSHIRE



GRID MODERNIZATION ADVISORY GROUP (GMAG)

RSA 12-P:16

Minutes of the June 20, 2024, Meeting

Meeting Date: June 20, 2024, 10:00 AM to 11:30 AM

Location:

Walker Building, Hearing Room A
New Hampshire Department of Energy
21 S. Fruit St, Concord NH

Attendees: Full attendance list attached

In person: Mark Toscano (Department of Energy), Michael Krouse (Office of the Consumer Advocate) Sam Evans-Brown (Clean Energy NH), Deanna Dennis (Community Power Coalition of New Hampshire) Kirsten Koch (Business and Industry Association), Christina Dumond (Department of Energy)

Remote: Richard Labrecque (Agilintas Energy), Robert Hayden (Standard Power of America) Jim DiLuca (Eversource), Dilip Kommineni (Liberty Utilities), Lavelle A Freeman (Eversource), Marc Brown (Clean Energy NH), Chris Skoglund (Clean Energy NH), Carolyn O'Connor (Liberty Utilities)

Mr. Toscano called the meeting to order shortly after 10:00am., those present, in person and remotely, introduced themselves briefly and the existence of a quorum of members attending in person was noted.

I. Meeting minutes of the May 16, 2024, meeting

On motion of Mr. Toscano and seconded by (K. Koch), the GMAG unanimously approved the minutes of the May 16, 2024, meeting as drafted.

II. Discussion of Interconnection of Cost Allocation Group

A discussion of the previously discussed Interconnection Cost Allocation Subgroup report took place with the following key points discussed:

- Limited generation profile
 - o Pros – Minimizes utility system upgrades developers would be responsible for
 - o Cons - Robust monitoring and scheduling requirements
 - o Key issues, resources and times and enforcement and control among others
- Basic cost sharing for enhanced line extension policy
 - o Pros – potential to lower costs for developers. Relatively simple
 - o Cons - Requires utilities to manage and distribute costs/funds to multiple organizations over multiple years
- Basic cost sharing for substation upgrades
 - o Overlaps with group studies
 - o How long to do? Similar to line extension policies
 - o Notification from utilities to allow how long and which substation is affected, similar to NY and MA
 - o Pros – potential to lower costs for developers.
 - o Cons - utilities need to manage and allocate funds
 - o How do we communicate utility identified upgrades
- Market Base Grid access fee
 - o Pros - Probably the simplest. Easy to understand. Effective at recovering costs.
 - o Cons - may reduce incentives for interconnection due to higher costs. Time and effort to evaluate fee structure.
- Multi beneficiary cost sharing
 - o Discussed at length in the May meeting
 - o Pros: utilities can apply portions of costs that benefit all customers. Market driven studies
 - o Cons: substantial cost tracking and crediting efforts by utilities, individual dockets for each Capital Improvement Project (CIP). If planned DG is not built could get stuck with costs and time consuming
- DOE is likely to start an investigative rule making proceeding as a follow up to IP-2022-01 in the very near future (not official yet)
 - o Addresses interconnection issues

III. General Discussion of Best Options

Sam Evans-Brown wanted to hear from the utilities and developers for feedback. Jim DiLuca mentioned that there is some piloting going on for how a group study would play out

and that cost sharing studies have not necessarily been started. He feels like the lack of framework is putting up guard rails for them, and going forward there will hopefully be working groups to process implementation and guidance.

Sam Evans-Brown mentioned that he has heard of utilities having some discomfort with interconnection. Lavelle Freeman went on to say that the Utilities are uncomfortable divvying funds unless there is some very clear agreed upon guidelines and structure. In MA there is an order that dictates how the costs are allocated and divvied among the developers and utilities. He would like to see a very clear framework and guidance to how it should be done, as the Utilities do not want to be the one making the split, ok with recommendations, but not making the decision. He went on to suggest that there be a group study that should be done to come up with a solution, after that is determined, one step could be to split the cost of the solutions among the developers, which could ensure everyone gets their fair share. However, they do not want to be the one to decide. Dilip Kommineni agrees with Lavelle and says that there are issues around substation upgrades, stating that they are becoming pretty expensive and that it will be a challenge for them to manage the funds unless there is a framework in place to ensure equality. He also proposed time frame limitations.

Richard Labrecque also agreed with Lavelle on the point that we can't leave this up to unregulated policies to divvy up large costs and leave on the shoulders of Utilities. Anything we come up with must be somewhat reflected in regulations. One thing to explore is that there are no regulations for cluster studies, wants to know if Eversource is looking at that as a construct even before regulations are in place. Lavelle responded that cluster studies are being done with a single developer and all has been agreed upon by the developer for how to allocate funds. He mentioned that the complexity is now that even though they are doing the study how are they splitting the costs especially when multiple developers and/or multi-projects come into play.

Jim DiLuca said that when it comes to multi developers/multi-projects it has been agreeable to developers that whatever issues are on that site is focused on that project, however he is still unsure of how to split it between the projects/developers and feels that the developers should be deciding how to split the costs sharing and working it out among themselves. Noting that it is still in the initial study phase. Richard Labrecque noted that he is appreciative that they are attempting this as it is not something that they have to do. Putting the ownness of cost splitting on the developer is likely easiest but he noted that it will likely take some complex legal agreements to protect interests.

There was discussion of fears of if someone drops out and then comes back in later to avoid the cost sharing. Also, that they may not even know who the developers are at the beginning of a project as some come in later, so it could be hard to keep track of this.

Suggestions were made of keeping it simple and sticking to statutes with exceptions being that in the event that there are complex projects as mentioned that there be some type of refunds or pro rata shares. Lavelle suggested developing a fee, to pay an interconnection fee, or having a uniform fee for all to pay, i.e. \$ kW. Richard indicated that if a developer will have to have a huge upfront cost, then they could potentially walk away, and then you have some that may have an outstanding cost that then have to be allocated later. Both agree that there could be a lot of issues surrounding the larger bills/costs with developers surrounding upgrading substations.

Richard had questions about costs of simplified projects and transformer upgrades. Asking if this being thrown into the upgrade costs of interconnection or if this is not being put into the scope of the discussion of interconnection. Wants to know who pays for the utility upgrade if a homeowner installs solar and then the system needs an upgrade. Mark Toscano answered that any residential consumer who is interconnected to the transformer will pay a fee because the transformer is automatically upgraded if needed. Sam Evans-Brown indicated that he would be happy to invite someone who is on the residential solar side to weigh in, flag this for a later meeting and invite someone in from the residential sector for input.

Mark Toscano reminded the Group that it has to come up with a recommendation report by September 1st but that the recommendation can simply be that this needs to be evaluated further. He suggested that the group take a vote on some of the options now so they can have a sense of direction for the report. Richard Labrecque suggested verbiage of – vote to approve a statement similar to the GMAG advocates for or is in favor of exploring regulatory and/or legislative action needed to implement the following: ____” can be vague or descriptive. Made a couple of different suggestions on verbiage. Can reach out to him for more input on that when the time comes. There is agreement on continued discussion of the issues and suggestions of making a 1st draft to pass around. Sam Evans-Brown suggested doing a straw poll of the 5/6 options to see what we are leaning towards as a best option for guidance of further discussions, even if what comes out of the process is a little vague, maybe to pitch in a vote after the fact so they have an opportunity to check with their stake holders, Mark Toscano agrees with putting out a vote to guide discussion. Mark Toscano, Chris Skoglund and Sam Evans-Brown will work together on a poll and get that out.

IV. Transactive Energy Working Group

Deanna Dennis shared and briefly reviewed her presentation from May. Deanna Dennis indicated that the focus of first meeting was to come to an understanding of what is transaction energy, and what can the State do to enable these systems in the future. She talked about how the team will focus on putting together a roadmap for what roll out in NH

would look like. Initially they proposed a monthly structure of meetings, but feedback suggested that will not be frequent enough and that they will need to have bi-weekly meetings, next meeting being sometime after the 4th of July holiday. Jim DiLuca indicated that from a regional perspective that there will be a need to rely on some of the base forming energy sources like gas, and nuclear for stability. Mission & Scope of the working group was developed and approved, and they looked at near and mid-term topics and issues.

No feedback on the Transactive Energy Working Group was noted.

V. Adjournment

With no other topics to discuss Mark Toscano motioned to end the meeting, seconded by Christina Dumond, the GMAG unanimously voted to adjourn at approximately 11:30 a.m., planning to meet **tentatively July 18th or 25th at 10 a.m.**, location TBD with a confirmation to follow.

Minutes compiled by Christina Dumond