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October 31, 2023

Via Electronic Mail Only
Jared S. Chicoine, Commissioner
N.H. Department of Energy
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

RE: IP 2022-01, Investigative Proceeding Relative to Customer Generator Interconnection Set 4 Comments of Public Service Company of New Hampshire d/b/a Eversource Energy

Dear Commissioner Chicoine:

Pursuant to the request for comments on the draft report outline issued by the New Hampshire Department of Energy ("DOE") in this investigative proceeding on October 19, 2023, Public Service Company of New Hampshire, d/b/a Eversource Energy ("Eversource" or the "Company"), submits these written Set 4 comments addressing the draft report outline.

In general, Eversource believes the draft report outline captures the consensus achieved by the stakeholders through this investigatory process and appropriately summarizes the areas in which consensus has not yet been achieved. The Company appreciates the DOE's conclusion that no statutory amendments or rulemaking initiatives are warranted at this time, instead focusing on the potential for the two stakeholder working groups to address relevant issues in detail in both informal and more formal contexts.

With respect to certain specific issues addressed in the draft report outline where Eversource believes greater clarity would enhance the substance of the final report, please refer to the attached annotated version of the report outline which contains proposed textual revisions as well as marginal comments regarding substantive issues.

Eversource appreciates the DOE's consideration of these comments on the draft report outline. Consistent with current policy, this filing is being made electronically only and paper copies will not follow. If you should have any questions, please contact me.

Sincerely,

|s| David Wiesner

David K. Wiesner Senior Counsel

Attachment

IP 2022-001: Investigative Proceeding Relative to Customer-Generator Interconnection

#### **Report Outline**

- 1. Title Page
- 2. TOC
- 3. Acronyms
- 4. Preface/High-level Background
- 5. Executive Summary
  - a. Brief history/description of investigation
    - The investigation's Order of Notice was sent on December 5, 2022, to several participants including the three (3) investor-owned electric distribution utilities in New Hampshire, the New Hampshire Electric Cooperative (NHEC), and other interested parties.

The investigation included two (2) technical sessions, and three (3) comment solicitations. Further, all participants were invited to a presentation on September 28, 2023, by the Interstate Renewable Energy Council (IREC) to discuss the newly released (August 2023) IREC 2023 Model Interconnection Procedures, as well as a report titled "Freeing the Grid". Freeing the Grid is an initiative that grades states on specific policies that help to increase clean energy adoption and access to the electric grid. Feedback on the presentation and report are presented in a later Section 7.

The result of this investigation is a general agreement among the participants on the need for clear, consistent, predictable, and timely interconnection rules, procedures, and standards, with consistency among utilities if warranted and reasonable. And while there are areas without consensus, all participants agree on the need to address these issues as soon as possible through various processes, including areas that do not require statutory changes and may be addressed through stakeholder working groups, utility process modifications, and potential rulemaking initiatives.

#### b. Areas of consensus

- The need/desire for clarity and consistency of interconnection rules, processes, and standards, with consistency among utilities if warranted and reasonable.
- ii. Utility hosting capacity maps provide useful information.
  - 1. Highlight that all utilities have functioning hosting capacity maps (part of SB 262)
- iii. Interconnection application fees are appropriate <u>and should be periodically updated to reflect utility</u> costs and allocation of resources.



<sup>1</sup>htps://freeingthegrid.org/

- iv. Utilization of third-party portals/program management software such as PowerClerk™ anticipated to be beneficial in improving interconnection processes
  - 1. Cite current utility efforts (Eversource and Unitil) in this area.
- v. Benefits of this investigative effort and strong willingness of participants to work together
- vi. Need for Working Groups
  - 1. Two groups recommended: Technical/Engineering and Administrative/Process.
  - 2. Preference for DOE led/facilitated process. Funding resources are necessary.
- vii. Desire for facilitators / ombudsmen for interconnection requests and processing
  - 1. Funding resources needed.
- viii. Recognition the utilities need an efficient and flexible means to address variability of interconnection applications/requests
  - 1. Cite general increase in requests to utilities.
  - 2. Group Net Metering (GNM) registration/administration.
- ix. Consensus on benefits of regularly updated interconnection queue by utility, but not on format or specific content
- x. Other
- c. Non-consensus and key issues to address
  - Which interconnection model(s) should be used as basis for NH rules (IREC, MA, CT, other States)
    - 1. A new IREC 2023 Model Interconnection Procedures was released in August.
      - a. DOE will be requesting participant feedback.
    - 2. Non-utility participants generally favor adopting IREC. Utilities open to using IREC as a <u>potential reference</u>base and modifying for application in NH.
    - Whether or not all NH utilities use an identical process, especially for larger systems, > 100 kVA.
  - ii. Cost allocation methodologies
    - 1. Utilities prefer traditional principles that generally align with cost causation but are open to further discussion on potential cost-sharing alternatives.
    - 2. Developers prefer more socialization of costs.
  - Hosting capacity map information enhancements and whether planned capital projects should be identified
  - iv. Interconnection queue: How information is presented and method(s) of communication

**Commented [WDK1]:** Unclear whether additional funding necessary for DOE facilitation role, unless third party consultant is required.

**Commented [WDK2]:** This role should be within the utility and not with DOE or a third party.

**Commented [WDK3]:** Unclear whether additional funding is necessary.

Commented [WDK4]: Unclear what this references.

**Commented [WDK5]:** IREC model procedures may have value for reference purposes but should not form the base or serve as default for NH procedures/rules.

<sup>&</sup>lt;sup>2</sup> htps://www.cleanpower.com/powerclerk/

- v. Time limits for various processes and how to enforce / hold parties accountable
- vi. How to organize and provide resources (fund) for Working Groups and Facilitators/Ombudsmen
- vii. Application of N-1 planning standarderiteria
- viii. Group Net Metering (GNM) interconnection requests
- ix. Other
- d. Summary of Recommendations
  - i. Statutory Recommendations
    - No statutory <u>amendments</u>recommendations are recommended <u>unless and</u> until the Working Groups have made their final recommendations.
  - ii. Working Groups
    - 1. Creation of two DOE led Working Groups
      - a. Technical/Engineering
        - On-going to regularly address applicable engineering standards, codes, and best practices.
      - b. Administrative/Process
        - On-going to regularly address NH interconnection rules, processes, fees, dispute resolution process, schedules, and other administrative issues.
        - b. Develop/adopt NH interconnection rules that may reference or incorporate provisions of are based on IREC 2023/MA/CT and other relevant interconnection models and make recommendations to DOE/PUC for 900 rule changes and additions. May ultimately result in making statutory recommendations.
        - c. Develop interconnection queue requirements.
    - Working groups to make final recommendations for model interconnection standard(s), interconnection queue, engineering standards, for inclusion in 900 rules, and potentially statute changes.
    - Identify funding for DOE staff/consultants for technical assistance/consultants and working group facilitation and ombudsman for interconnections.
  - iii. Near-term recommendations prior to obtaining final recommendations from Working Groups

**Commented [WDK6]:** Unclear whether additional funding is necessary for working group facilitation or ombudsman, especially if ombudsman will be a utility representative.

**Commented [WDK7]:** Unclear what issues are referenced here.

**Commented [WDK8]:** May be best practices but not reduced to binding administrative rules, to facilitate greater flexibility and timely updates.

**Commented [WDK9]:** Note that 900 rules only cover netmetered distributed generation and not energy storage, non-renewables, or other potential DERs.

**Commented [WDK10]:** Uniform rules and standards only if and to the extent warranted; may vary based on specific utility circumstances.

**Commented [WDK11]:** See comment above regarding 900 rules scope.

**Commented [WDK12]:** Unclear whether additional funding sources are necessary for any such functions.

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- 1. Encourage participants to develop informal minimum interconnection queue criteria.
- 2. Encourage utilities to post/report basic interconnection queue information.
- 3. Encourage informal technical and procedural working groups to begin immediately.
- 4. Utility voluntary collaboration on timelines, fee structure, fast-track/preliminary review criteria.
  - a. Cite existing similarities/consistency with < 100 kVA, and particularly with < 10 kVA
  - Work to develop consistent interconnection process and requirements for > 100 kVA.

6. Customer-Generator and Distributed Energy Resource (DER) Background

Provide general high-level description of Customer-Generator history, benefits, issues, and concerns

- a. Customer-Generator Interconnection overview
  - i. Purpose: DER, renewable energy, diversity of generation, etc.
  - ii. Issues and concerns
- b. The utility perspective
  - i. Keeping the system stable and reliable.
  - ii. Financial impact and business model. (i.e. Lost revenue, costs, etc.)
  - iii. Resources needed to address variability (ebb and flow) of interconnection requests.
- c. Developer perspective
  - i. Need for clarity and consistency of rules, fees, and timelines.
  - ii. Interconnection queue information accessibility.
  - iii. Up-to-date utility distribution system status.
  - iv. Fair, reasonable, and transparent cost-allocation.
- d. Current  $\frac{\text{Puc}}{\text{rules}}$ , statutes, and utility standards and tariffs regarding interconnection
  - i. Puc 900 Rules
  - ii. Utility Interconnection Standards and Tariffs
  - iii. Statutory (RSA 362:A) requirements applicable to interconnection
- e. Recent legislative history and amendments
  - i. SB 262
    - 1. Details regarding this investigation are included in Section 7
  - ii. Other

**Commented [WDK13]:** Consistent processes and requirements only if and to the extent warranted; may vary based on specific utility circumstances.

Commented [WDK14]: Unclear what this references.

- f. IREC
  - i. General description of IREC and recent IREC 2023 Model Interconnection Procedures
- g. Other State Models
  - i. High-level overview of other States, particularly MA, CT, NY
- h. FERC SGIP
- i. FERC 2023? For transmission side of discussion
- j. Freeing the Grid
  - i. Description of Freeing the Grid, as well as NH report and other NE state grades.
- 7. Interconnection Investigatin

#### SB 262 Directives

As referenced in the Preface, Senate Bill 262 (SB 262)<sup>3</sup> was signed into law on July 8, 2022. This bill addresses customer generators and includes the following requirement, beginning on page 2, line 2:

- I. Within 90 days of the effective date of this section, the department of energy shall initiate a proceeding to investigate modification of the rules of the public utilities commission in PUC 903.01(e) to ensure cost-effective, predictable, and timely interconnection procedures for customer generators to the state's electric distribution system. In so doing, the department shall consult with electric distribution utilities, distributed generation project developers, and any person or entity the department deems relevant to its study.
- II. The department's investigative proceeding shall examine and make specific recommendations concerning the following:
  - How to create transparent, consistent, and reasonable engineering standards for interconnection, with special consideration given to established best practices used by other states as set forth in the Interstate Renewable Energy Council's (IREC) 2019 Model Interconnection Procedures.
  - b. How to ensure timely, consistent, and reasonably-priced interconnection studies.
  - c. How to ensure just and reasonable pricing of grid modernization upgrades mandated by the distribution utility for interconnection of distributed energy resources, including transparency and consistency in pricing guidelines and appropriate cost-sharing among parties benefiting from such upgrades.
  - d. How to ensure distribution system upgrades paid for by customer-generators are not claimed as part of the utility rate-base.

Commented [WDK15]: Does this reference the current ISO proposal to extend cluster study process to cover smaller DG projects? If so, that might best be addressed

through the stakeholder working groups.

<sup>&</sup>lt;sup>3</sup> htps://gencourt.state.nh.us/bill\_status/legacy/bs2016/billText.aspx?id=2063&txtFormat=html&sy=2022

- e. Whether it is appropriate to establish an "Interconnection Working Group" convened at the department of energy to regularly assess if interconnection standards need modification.
- f. Any other topic the department reasonably believes it should consider in order to diligently conduct the proceeding.
- III. The department shall report its findings and recommendations to the standing committees of the house of representatives and senate with jurisdiction over energy and utility maters no later than one year after initiating the proceeding. The department shall identify ways any recommended statutory changes can reduce barriers to cost-effective, predictable, and timely interconnection of distributed energy resources othe state's electric distribution system.

#### **Department of Energy Investigation**

#### SB 262 - Chapter 328:4, I (2022)

As stated in the Preface, The Department formally initiated this investigation on December 5, 2022, titled "IP 2022-01 – Investigative Proceeding Relative to Customer-Generator Interconnection" he investigation Order of Notice was sent to several participants including the three (3) investor-owned electric distribution utilities in NH, the New Hampshire Electric Cooperative (NHEC), and other interested parties.

Describe Order of Notice, Participants, Technical Sessions, Comments Received.

#### SB 262 - Chapter 328:4, II (2022)

For all items of SB 262 indicated above, include details in sections below of participant feedback, areas of consensus, non-consensus (areas to address), and recommendations.

- a. How to create transparent, consistent, and reasonable engineering standards for interconnection, with special consideration given to established best practices used by other states as set forth in the Interstate Renewable Energy Council's (IREC) 2019 Model Interconnection Procedures.
  - Write-up. Will include any feedback from the Freeing the Grid report and presentation.
- b. How to ensure timely, consistent, and reasonably-priced interconnection studies. Write-up
- How to ensure just and reasonable pricing of grid modernization upgrades mandated by the distribution utility for interconnection of distributed energy resources, including transparency

**Commented [WDK16]:** Phrase appears in SB 262 but unclear what it means in DG interconnection context, and that ambiguity should be noted.

<sup>&</sup>lt;sup>4</sup>Investigative Proceedings | NH Department of Energy

and consistency in pricing guidelines and appropriate cost-sharing among parties benefitting from such upgrades.

Write-up

d. How to ensure distribution system upgrades paid for by customer-generators are not claimed as part of the utility rate-base.

Write-up

e. Whether it is appropriate to establish an "Interconnection Working Group" convened at the department of energy to regularly assess if interconnection standards need modification.

Write-up

f. Any other topic the department reasonably believes it should consider in order to diligently conduct the proceeding.

Write-up

#### SB 262 - Chapter 328:4, III (2022)

Write-up identifying this as the report and how it addresses this requirement.

#### 8. Conclusions and Summary of Recommendations

Provide summary of conclusions and recommendations and address each topic below as a minimum. Essentially revisit executive summary.

- a. Brief summary statement of investigation
- b. IREC and State Model(s)
  - i. Brief summary
- c. Freeing the Grid (FTG)
  - i. Brief summary of FTG
- d. Statutory Recommendations
  - No statutory <u>amendments</u><del>recommendations</del> are recommended <u>unless and</u> until the Working Groups have made their final recommendations
- e. Working Groups
  - i. Creation of two DOE led Working Groups
    - 1. Technical/Engineering

 On-going to regularly address applicable engineering standards, codes, and best practices.

#### 2. Administrative/Process

- On-going to regularly address NH interconnection rules, processes, fees, dispute resolution process, schedules, and other administrative issues.
- b. Develop/adopt NH interconnection rules that may reference or incorporate
   <u>provisions of are based on IREC 2023/MA/CT and other relevant interconnection</u>
   models and make recommendations to DOE/PUCfor 900 rule changes and
   additions. May ultimately result in making statutory recommendations.
- c. Develop interconnection queue requirements.
- d. Working groups to make final recommendations for model interconnection standard(s), interconnection queue, engineering standards, for inclusion in 900 rules, and potentially statute changes.
- 3. Identify funding for DOE staff/consultants for technical assistance/consultants and working group facilitation and ombudsman for interconnections.
- f. Near-term recommendations prior to obtaining results from Working Groups
  - i. Encourage participants to develop informal minimum interconnection queue criteria.
  - ii. Encourage utilities to post/report basic interconnection queue information.
  - iii. Encourage informal technical and procedural working groups to begin immediately.
  - iv. Utility voluntary collaboration on timelines, fee structure, fast-track/preliminary review criteria.
    - 1. Cite existing similarities/consistency with < 100 kVA, and particularly with < 10 kVA.
    - 2. Work to develop consistent interconnection process and requirements for > 100 kVA
- g. Budgets for DOE staff, consultants, etc.
- h. Closing statement

### 9. Appendices

- a. SB 262
- b. Puc 900
- c. Freeing the Grid report
- d. IREC 2023
- e. DOE Order of Notice
- f. Notice of Tech Session 1 and Request for Comments
- g. Notice of Tech Session 2 and Request for Comments

**Commented [WDK17]:** See comment above regarding scope of existing Puc 900 rules.

**Commented [WDK18]:** See comment above regarding 900 rules scope.

**Commented [WDK19]:** Unclear whether additional funding sources are necessary for any such functions.e

**Commented [WDK20]:** Consistent processes and requirements only if and to the extent warranted; may vary based on specific utility circumstances.

**Commented [WDK21]:** Unclear whether third-party consulting services will be required and what additional staff resources necessary.

**Commented [WDK22]:** Unclear whether needed as appendix if linked to in the final report.

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- h. Utility Interconnection Documents and Tariffs?
- i. The Interconnection Bottleneck Study?

This initial draft was prepared by the NH Department of Energy

Commented [WDK23]: Include links and not actual documents

**Commented [WDK24]:** Unclear what this references - is it a separate document proposed to be attached to report?