DG Collaborative Working Group – Plenary Meeting #1 (5/31/12)

Location: National Grid, Waltham, MA

Facilitator: Dr. Jonathan Raab, Raab Associates, Ltd.

**DRAFT Meeting Summary**

61 people attending the kick-off plenary meeting (attendee list can be found in Appendix 2). Following is a high-level meeting summary. The more detailed running meeting notes are available in Appendix 1.

**Charge and Welcome**

The meeting opened with a charge from Commissioner David Cash, MA Department of Public Utilities and welcoming remarks from Marcy Reed, President of National Grid (Massachusetts).

Commissioner Cash discussed the importance of interconnection rules in the context of the Commonwealth’s clean energy goals. In order for DG to contribute to these goals the Commonwealth wants to implement effective and efficient interconnection rules. The working group process will achieve this by identifying roadblocks and solving the problems through consensus. Commissioner Cash also pointed out that the Commission empowered the facilitator to determine the appropriate structure and groundrules for the Working Group.

Ms. Reed welcomed the group to National Grid, and discussed the importance of this process for helping to achieve sustainability and clean energy goals in the Commonwealth.

Dr. Raab then outlined the day, stressing that this first meeting would deal with understanding “what” is known about the current DG interconnection situation and what else the group needs to know to accomplish the tasks from the DPU order. The first plenary meeting will also outline the working group structure, schedule, and groundrules.

**Current Data Review**

After the charge and welcome, the group saw two presentations reviewing current DG interconnection statistics from Gerry Bingham at the MA Department of Energy Resources (DOER) and Tim Roughan from National Grid. Both presentations are available on the Raab Associates DG Working Group Website: <http://massdg.raabassociates.org/events.asp?type=eid&event=38>

Mr. Bingham provided updated numbers from the KEMA report to DOER (the report is available here: <http://www.mass.gov/eea/docs/doer/renewables/dg-inter.pdf> ) on the Expedited and Standard tracks. These data come from monthly reports the utilities provide to DOER and demonstrate a significant increases in the number of applications being filed each year, and size (in electrical output) of the individual projects, and the overwhelming predominance of solar-related applications. There were twice as many projects in 2011 as in 2010, and there is an expectation for at least three times as many in 2012 than 2010.

Mr. Roughan provided statistics of Simplified Track applications being handled by the utilities. When the number of applications significantly increased in 2011 the number that experienced delays also increased; 4% of applications exceeded the timeline in 2010 while 25% exceeded the timeline in 2011.

The presentations were followed by a period of Q&A. The running notes are in appendix 1, but several data clarification points were made in response to questions from participants:

* The timeframe for the data is January 2009 – April 2012
* The current tariff assumes site control because it was designed for onsite projects, so there is no requirement to demonstrate site control as part of the interconnection application process.
* There are 41 MW of projects in the post-agreement/construction phase--these have received the interconnection agreement but they are not yet authorized to interconnect.
* The data for Expedited and Standard does not reflect start/stop times, i.e. periods of time when the utilities are waiting for more information from the project proponent. Utilities “turn off the clock” while waiting for more information, so this time is not counted toward the tariff time period for completing the application process.
* In the Simplified track, there is rarely a need for additional information once the application is completed, so clock is not stopped during the review process—and hence review times in the tracking system are accurate.
* Once the application is complete the utility starts the clock and studies the interconnection. Once the study is done the agreement, including costs, is sent to the customer for review and signature.
* The construction timeline for utilities to complete distribution network upgrades that are necessary to support project interconnections varies by project and has to be balanced by utility workloads for other upgrades.

**Joint Fact Finding**

Dr. Raab lead a group discussion to determine what facts the group already knows and what the group needs to know to accomplish its goals. Dr. Raab created a Word document with points that were brought up during the data presentations to clarify the data needs with the group and to solicit thoughts on additional data needs. The group suggested useful ways to filter the existing utility data to help identify and/or confirm the real problem areas. These suggestions were written down as they were offered, and projected so the whole group could read them. The suggestions are shown in the box below. See the To Do list at the end of the meeting summary for tasks from this list that Working Group members agreed to tackle in preparation for the next plenary meeting.

**Potential Additional Information**

* Analyze expedited/standard “delay” data for patterns related to:
  + Different DG types (solar, wind, CHP)
  + Different regions
  + Different circuits/sub-stations (e.g., ones that have multiple DG projects already vs. others)
* Put “delay” data in histograms, and look at standard deviations
* Deeper dive into some clusters of “delayed” project to explore reasons for delay; project status (e.g. financing, site control)
* Correlation between “incentive” programs and uptick
* Future trends for 2012 and beyond (applications, size, technology, net metering caps, tax credits, state goals, etc.), resource planning
* Time and cost and staffing to review applications granularity whole process through interconnection (resource adequacy)
* How projects relate to existing/planned utility upgrades; how to share upgrade costs for multiple applications on same line (how interacts with delays)
* Granularity in delay analysis; process vs. project delays
* Do applicants that have filed before have fewer delays
* Best practices from other states (e.g. CA, HI)
* FAQ (questions developers regularly ask utilities, and other way)
* Interim step dates, if available
* What is root cause of delay; e.g. 80/20 analysis
* Are there any suggested solutions that can be accomplished outside the tariff
* Can DG providers take some responsibility off utilities
* Public vs. private projects
* Develop hypotheses around delay and do research

**Working Group Structure, Schedule, and Logistics**

Dr. Raab presented the structure of the working group process, including the planned meeting schedule. See slides at <http://massdg.raabassociates.org/events.asp?type=eid&event=38>. The timeline is short (16 weeks) so it will be important to stick to the schedule of Plenary and Subcommittee meetings in order to deliver the final report by September 11, 2012.

* Plenary meetings 1-3 will focus on problem identification and joint fact finding;
* Plenary meetings 3-6 will focus on generating solution options; and
* Plenary meetings 6-8 will focus on package development, negotiation, and final report generation.

After discussing the overall structure of the process, the group discussed different subcommittee options in addition to the options proposed by Dr. Raab (see slides). These included:

* A subcommittee on non-responsive applicants
* A technical subcommittee (e.g. upgrades, area networks)
* A process automation subcommittee
* A costs and fees (how utilities get money to hire more resources) subcommittee

The participants discussed the need to focus on data collection/fact finding in preparation for the next Plenary, and then figure out subcommittees at the next Plenary. There was also a general sense that organizing subcommittee optionss (by track or by topic) are a good starting place for this process, but may need to create new subcommittees later in the process to address issues that emerge and to get to solutions.

Group discussed and decided that they final report to the DPU should include redlined tariff language to the extent that the Group reaches a consensus or near consensus, and time allows.

**Draft Groundrules**

Dr. Raab walked the group through the Draft Groundrules document, which is posted online at this link: <http://massdg.raabassociates.org/events.asp?type=eid&event=38> ,to explain how the representation, roles and responsibilities, and decisionmaking would work. There was some clarification and fine tuning a few places. Dr. Raab pointed out highlighted language related to a groundrule requested by the utilities and DOER during the interview process, that restricts private discussions on substantive matters between the facilitator and individual working group participants outside regular meetings or caucus meeting. The group discussed this limitation at length during the Plenary, and Dr Raab was inclined to leave the language in the Groundrules for now, with the understanding that the Groundrules can be revisited and potentially revised if it becomes clear the provision is limiting his ability to run an effective working group process.

**Next Steps**

The group identified several actions to be accomplished before the next plenary meeting and assigned these tasks as follows:

* Post a meeting summary – Raab Associates
* Develop an agenda for the next Plenary Meeting on June 13th – Raab Associates
* Secure locations for the remaining Plenary and Subcommittee meetings – Raab Associates, all Utilities, DOER, any other participants with meeting space
* Collect and sort additional data
  + DOER will further analyze the existing Expedited and Standard track “delay” data using filters in different ways and present using histograms and standard deviation analysis. Different filters may include regional, technology type, and single circuits.
  + The Utilities will develop a strategy to do a deeper dive into the application process to identify the root causes of “delay”.
  + The Utilities will begin to put together more data on the time, cost, and staffing for their application review processes, to explore resource adequacy.
  + The Utilities will start a list of questions they are frequently asked by DG project developers, and questions they frequently have to ask of DG Developers
* Potentially put together a panel to discuss future clean energy and interconnection trends – Raab Associates

**Appendix 1: Running Meeting Notes**

**Charge and Welcome**

DPU Commissioner David Cash

* Interconnection important
* Gov talked about importance of bringing agencies together
* Interconnection is very important for clean energy agenda, need to get rules/laws right and pay attention to nitty gritty (DG keep pace with renewable goals)
* ID implementation road blocks to address them, effective and efficient interconnection is goal
* Solve the problem in a satisfactory way (consensus)
* DPU confident in Raab as facilitator to get this done
* Defer to facilitator on structure and groundrules

MA National Grid President Marcy Reed

* If group doesn’t do it, DPU will, so this process is important
* Safe and reliable service is important, DG must work with this
* Need to figure out how to get this done right
* Need customer responsiveness, need to respond to customer interest in DG
* Thank you for attending and participating, important for sustainability/clean energy goals

Dr. Jonathan Raab

* Setting up process, will be a joint problem solving process
* Today lay out what we know and what we would like to know to move forward
* Afternoon discuss structure of process
* Today: what’s going on (facts); alleged sense of a backlog
* Next time: why is this happening, on utility side, on DG side
* Then: what can we do to improve the system (meeting 3 and on)

**Review Stats**

DOER

* Issue is that projects are not meeting the timeline in the tariff
* Only capture dates at four stages; no tracking between application acceptance and agreement received
* Timeframe is January 2009 – April 2012
* Historically, is there seasonality to DG applications or is it uniform throughout the year? Investment tax credit triggered blips, state grants also, but generally steady, so expect 2012 to be 3x previous years
* What’s projection for 3-5 years? Net metering caps, so large projects may decrease, but will grow up to the caps, and matter of space for good solar and wind sites (want to return to this in future meetings)
* What is causing in-rush of applications? With incentives and caps, queue process will ID which are not real, but incentives are in place and driving applications; need to allow projects that meet state goals
* 41 MW, is that authorized to interconnect? No, get results of study and know cost of interconnection, and have to pay interconnection costs
* Work with developer on sunset timeline, e.g. 90 days, should think about how to incorporate; need to model first projects because they impact all the projects behind them
* Breakout between solar and wind, and trends between technologies? Have the data and could do that, with data on DOER website; most of the projects are solar
* Data does not track start/stop times, correct? Yes (clock stops when utility asks for more info, so projects may exceed timeline, but may also be waiting for info and no tracking for that)
* Filters by region? Yes, data is listed by town, so could do that, DOER DG website has map of projects
* Facts to be raised: how many projects on circuits with multiple projects/impacting the same substation? How many have been reached out to that appear dead?
* Look at projects that are missing the deadlines, by the most, and look into why (are there trends)? It would be a challenge to do this, would have to look at each project individually; DG workshops get into “common mistakes” but this is anecdotal
* When the application is complete, does that mean the customer signed the study agreement? No, notification from utility and clock starts, not a study agreement, do study and determine costs, then agree to pay for utility costs/construction
* How difficult to collect data and what tools used? Monthly data from utilities to DOER which is then posted
* Site control not relevant for interconnection; tariff is intended for onsite projects, not the larger projects that are happening now, so site control was considered inherent (site control requirement should be considered)
* Construction timeline? Varies by project and has to be balanced by utility work loads

Utilities – Simplified

* More projects and larger projects (e.g. for zero energy homes, and all homes in a development)
* Storms take priority and caused delays in DG work in 2011
* How do utilities cover costs for online applications? Currently no costs for simplified process, have to be absorbed by other customers (other DG applicants); will have to ask for money (permission from DPU/AG) to cover costs of online process
* What is detail of costs to provide service? A lot of incomplete applications, a lot of new installers who have not participated in workshops other educational opportunities, not on same page to provide all needed info; need to do some construction/upgrades for smaller projects
* How much time for simplified? At one utility, one FTE per year ($100K)
* Any clock stop on simplified? Dates are from complete application to done, running clock; generally short timeline, couple days; ITC caused push to build projects prior to applying for interconnection, and then project proponents are upset at long time to interconnect
* Correlation with state incentive programs, when they are open are there more applications? Utilities used to get grant notifications to anticipate upticks, don’t now
* How have resource planning caught up with new incentives? Tripled team that handles DG, but talent is in other locations, so have to outsource some work
* Causes of delay? Getting to studies and starting studies, studies are relatively quick; hard to get people out of the queue that are holding up other, more real projects
* Obtaining land rights is important, obtaining financing is critical, is financing a requirement to stay in the utilities’ queue? Something to discuss for updated tariff
* Interesting to analyze these data to find projects on same substations or not
* Note: in response to question by facilitator, not many people in room indicated they have uses the simplified track

**Fact Identification (what do we know and what do we need to know)**

See table in meeting summary,

**Working Group Structure/Logistics**

* Need to develop a structure/process for what is essentially a negotiation
* Final package to include draft tariff language or just recommendations? Previous process did not provide tariff language, assuming something similar, but redlining the tariff may be easier to do this time (since tariff exists); may not be possible due to time
* If another phase, people may drop out (time pressed), so may be good to try to get to tariff: DPU has no expectations for tariff language, want to see what can be accomplished in short time period
* Goal is consensus, including redline tariff, assuming consensus or near consensus and time allowing
* Process may ID areas for further study; process may include redline (low hanging fruit) but may also include recommendations for how to deal with more complex projects
* Need to get to solution generation early to figure out what facts we need to really figure out solutions (so not wasting short time on facts for wrong solutions)
* DOER sees technical and less technical stakeholders and solutions, so maybe a “technical” subcommittee (e.g. upgrades, area networks)
* Makes sense to combine expedited and standard in one subcommittee
* Unitil and NSTAR the same people/process for simplified and expedited, NGRID uses different staff for simplified and expedited
* Subcommittee on non-responsive applicants? Can be addressed as part of interconnection process
* Technical subcommittee/solutions can help explain how/why utilities come up with study results and address project proponent pushback on study results
* Data collection/fact finding done in plenary, so maybe do some of that first and then figure out subcommittees
* Subcommittees are to go into more detail, spend more time with the data, to develop options/recommendations for full group consideration
* Suggested subcommittee options good starting place for this process, but maybe create new subcommittees later in the process to address issues that emerge/get to solutions
* Process automation subcommittee?
* Costs and fees (how utilities get money to hire more resources) other subcommittee?
* What about new members? Open door, but hopefully be comfortable using the representative in the right caucus
* Other: sort into a caucus as appropriate, but if not, not part of inner circle, but still part of larger process with input into final project
* Technical standards also updated, or updated next year? Should be part of this process, maybe referenced in any tariff updates come from this working group
* How do we make consensus in this framework, with reps and alternates? Consensus by the reps, not the whole group, and whole group then signs on to the consensus product (or not)
* We won’t solicit participation of groups, but maybe will need to if we ID a significant hole (e.g. couple cities vs. getting MMA involved)
* Can caucuses ID groups/individuals from other group they want to have participate? Caucuses are not decision making groups, we will still draw on expertise of “others” but they do not really have the same status as an intervener in the actual interconnection process
* Concern about # of DG representatives (seems stacked against utilities); understand this is not voting, it’s consensus, but numbers will still impact consensus discussions (DG developers are similar/the same, do really need to break out by technology?)
* Document comments in “minority report”: Not called majority/minority report; if consensus isn’t reached the multiple options are put forward as equal options
* There are distinctions in the DG community, but not necessarily by technology; maybe size; and do need representation of these different business model needs (will need to make sure we have coverage for things like different sized projects; public vs. private)
* Not opposed to additional support/participation by utilities (but utilities not really asking for this)
* NSTAR silo’d in DG process, may need input/participation from multiple people at NSTAR to get full perspective

Meeting space

* We need meeting spaces for Plenary sessions and Subcommittees
* Utilities and State to look into meeting space

**Draft Groundrules**

* Allows for alternates or other switching to facilitate discussion (e.g. utilities have different people in different areas that may need to speak at the table at different times)
* Timing of positive alternatives in the case of dissent: generally put placeholders in place that group thinks it can agree to, but hold off on consensus until full package is together; if you don’t support an option, have time (some) to come up with alternative
* If rep or alternate is not at meeting, that group does not have a voice in consensus: correct, so need people to be at the meetings
* Add “facilitator team” definition to Groundrules re: meeting summaries, etc.
* If caucus invites facilitator to a caucus meeting, facilitator will notify full group and provide opportunity to attend other caucus’ meetings
* Rule for facilitator to not meet on substantive issues with individuals and individual caucuses is not normal operating procedure for Raab, but it will be tried. Point is to have open/transparent process
* Thought that it limits chances of success; asked to explain: is restrictive because groups can’t discuss strategy to present options in constructive ways or how to consider options. Concern strategy turns into advocacy, and want to avoid advocacy by facilitator. Probably will work, but may lead to more caucus meetings; Raab wouldn’t agree to this if thought it couldn’t work. Utilities don’t want big meetings to be “show sessions” with real action happening behind the scenes
* Add if there is a need, groundrules can be revisited/revised
* Add clarity/make explicit issues around final decision, DPU process, and ability of alternates others to voice opinions after process
* Add option for meeting “parking lot issues” to take offline, specifically around issues that have been previously discussed, so not take up meeting time on old issues
* When feasible, will have call in line for other than representatives to listen in (not webex/interactive) and need reps at the meetings (presentations, materials sent out ahead of meetings)
* Plenary and working group meetings are same (20 people round table); subcommittee to be populated, by anyone (won’t necessarily be the “real work” and most things should be discussed in plenary); caucuses by groups

**Next Steps**

* Meeting summary, next agenda, next location, email lists, other plenary locations
* Next meeting: get the 20 seated and finalize groundrules; determine subcommittees; substance of meeting: info we want to know (see other document for assignments)
* Panel discussion on future trends (arranged by Raab)
* Utilities talking about where they are seeing issues, and DG talking about where they are seeing issues (1-2 reps from each group; maybe ID’d/discussed at caucus meetings)

Appendix 2: Meeting Participation

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| **Attendance: MA DG Collaborative Working Group 5/31/12 Plenary Meeting** | | | | **Plenary 1** |
| Ahirrao | Vishal | NGRID | Utilities | X |
| Argo | Liz | Argo Consulting | Other/Cons | X |
| Bachman | Roberto | SolarFlair Energy | DG-Solar | X |
| Baker | Ed | UTC Power | DG-CHP/Other | X |
| Baker | John | Umass Medical School | Other/Unknown |  |
| Bhumgara | Rayo | Sustainable Strategies 2050 | DG-Solar | X |
| Bingham | Gerry | DOER | State Agency | X |
| Boecke | Donald | NSTAR | Utilities | X |
| Bolgen | Nils | MA CEC | State Agency | X |
| Bonazoli | John | Unitil | Utilities | X |
| Breger | Dwayne | MA DOER | State Agency | X |
| Brigandi | Michael | NSTAR | Utilities | X |
| Brown | Sandra | The Cadmus Group | Other/Cons |  |
| Burrowbridge | Ryan | Borrego Solar | DG-Solar | X |
| Cox | Roger | NGRID | Utilities | X |
| Cummings | Fran | Peregrine Group | DG-Solar | X |
| DaSilva | John | Aegis Energy Services | DG--CHP/Other | X |
| DeVillars | John | BlueWave Capital | DG-Solar | X |
| DiNapoli | John | Unitil | Utilities | X |
| Edwards | Scott | Exelon/Constellation Energy | DG-Solar | X |
| Enayati | Babak | NGRID | Utilities | X |
| Esson | Donald | The Markley Group | Customers/Cities |  |
| Feeley Karp | Courtney | DOER | State Agency | X |
| Fitzpatrick | Joseph | DG Clean Power | DG--CHP/Other | X |
| Flottemesch | Robert | Exelon/Constellation Energy | DG-Solar | X |
| Foster | John | Advanced Energy | DG-Solar | X |
| Fuller | Peter | NRG Energy | DG-Solar | X |
| Grace | Bob | Sustainable Energy Advantage | Other/Cons |  |
| Greenblatt | Beth | Beacon Integrated Solutions | Other/Cons | X |
| Greenwood | Daniel | SolarFlair Energy, Inc. | DG-Solar | X |
| Griffin | Jack | Source One Energy | DG--CHP/Other |  |
| Gudell | Jan | NSTAR | Utilities | X |
| Hawes | Peter | Borrego Solar | DG-Solar | X |
| Hoagland | Erik | Spire Solar Systems | DG-Solar | X |
| Janke | Cynthia | WMECO | Utilities |  |
| Kelley | Paul | NSTAR | Utilities | X |
| Kelly | Kevin | NGRID | Utilities | X |
| Krich | Abigail | Boreas Renewables | DG-Wind | X |
| Kuriakose | Alex | NGRID | Utilities | X |
| LaBrake | Neil | NGRID | Utilities | X |
| Ledgerwood | Bruce | LEAN | Customers/Cities | X |
| McLaren | Robert | NuGen Capital Management | DG-Solar | X |
| Medeiros | Ron | NorthEast Clean Energy Corp. | DG-Solar | X |
| Melnick | Leah | Sustainable Energy Advantage | Other/Cons | X |
| Moskos | George | NSTAR | Utilities | X |
| Newman | Joe | NGRID | Utilities | X |
| O’Dougherty | Mike | Spire Solar Systems | DG-Solar | X |
| Phelps | Nathan | DPU | State Agency | X |
| Plett | Frederick | MA AGO | State Agency | X |
| Plitch | Larry | Veolia Energy North America | DG--CHP/Other | X |
| Pullaro | Francis | RENEW | Other/Unknown |  |
| Rabadjija | Neven | NSTAR | Utilities | X |
| Ritter | Jason | Borrego Solar | DG-Solar | X |
| Roughan | Tim | NGRID | Utilities | X |
| Ruiz | Kially | Aquinergy | DG-Wind | X |
| Schroeder | Erica | IREC | Other/Unknown | X |
| Sins | Jack | Unison Energy | DG--CHP/Other | X |
| Skulley | Brooke | NGRID | Utilities | X |
| Smith | Daniel | Siemens | DG-Solar | X |
| Soares | Joe | CLC/CVEC | Customers/Cities | X |
| Spruill | Benjamin | Patriot Renewables | DG-Wind |  |
| Sterritt | Justin | MA EOHED | State Agency | X |
| Stone | Michael | My Generation Energy, Inc. | DG-Solar | X |
| TBD |  | TVC Systems | DG--CHP/Other |  |
| Tosches | Jamie | MA AGO | State Agency | X |
| Walker | Jim | Solar PV Grid Tie Ameresco | DG-Solar | X |
| Wallerstein | Mike | MA DPU | State Agency | X |
| Wells | Donald | NU | Utilities | X |
| Wheeler | Lorraine | Redstoke, LLC | Other/Cons | X |
| Zachas | Rebecca | BCK Law P.C. | Customers/Cities | X |
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