

Borrego Solar Systems, Inc.
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January 20, 2016

Via Email: executive.director@puc.nh.gov

Debra A. Howland, Executive Director and Secretary
State of New Hampshire
Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, NH 03301-2429

RE: DE 15-271, Examination of Electric Distribution Utility Interconnection and Queue Management Processes for Net-Metered Customer-Generators

Dear Executive Director Howland:

Thank you for the opportunity to comment on the proposed Net Energy Program Capacity Allocation Procedures. These Procedures appear to address many of the concerns raised by the utilities and development community in the technical sessions held in 2015. Key to these Procedures are a series of more stringent requirements for Type C projects in order to be awarded an allocation and a series of milestones in order to maintain the allocation. While Borrego generally supports staff's recommended procedures, we strongly recommend the following comments be considered in creating the final version with which utilities will manage the net metering queue for years to come.

1. For type C projects, we contend the requirement to have a signed PPA in order to qualify for an allocation is overly burdensome and does not align with the development process for these types of projects. We strongly recommend this requirement be moved to Milestone 2 OR at minimum to Milestone 1 and be downgraded to a signed LOI or MOU.
 - a. Developers cannot lock in a PPA rate with an offtaker or group of offtakers without knowing the utility upgrade costs. The utility upgrade costs will not be known until the ISA is returned to the Applicant, after which point time is required to get an LOI, MOU or signed PPA. Without a PPA rate, a PPA cannot be executed.
 - i. Finalizing the PPA document and getting the necessary signatures can be cumbersome and time intensive based on the approval process for larger entities and municipalities.
 - b. The requirement to pay 100% of the Impact Study fees (typically on the order of \$20,000 per MW) as part of point (d) set a high enough bar to earn the allocation (assuming these fees are non-refundable). The payment then required in Milestone 1 to hold the allocation



further commits the developer to the project. Developers would only put this capital at risk if they felt they had a “real” project.

2. For Type C projects we recommend Milestone 5 be revised to mechanical completion OR be amended to 485 days and the term “ready for commercial operation” be applied to the requirements listed.
 - a. At the larger size and in the event the 1000kw size gets raised at some point in the future, getting to mechanical completion in 1 year is aggressive yet reasonable. We have found there can be a 3-4 month commissioning (testing) period on projects and it would be in the best interest of all to not rush this process and to ensure proper testing of the project in preparation for utility interconnection.
 - b. This additional time could also limit the number of requested extensions made as a result of the seasonal timing of project.
3. We recommend the definition of the term Customer of Applicant be amended to address cases where a Special Purpose Vehicle or Development Entity is the applicant and they are developing a project which will require a new service from the Company. In this case the Applicant has no established relationship with the Company entering this transaction.
 - a. Specifically for Type C project the Applicant may not be a customer of the utility at all at this point in the process.
4. For Type C projects we recommend the reference to the 1000KW cap be removed and replaced with language referring to the maximum project size allowed under the RSA 362. This will allow these rules to remain accurate in the event the 1000KW cap is increased under RSA 362.
5. The project size for all types should be based on the "generator nameplate rating OR max AC inverter capacity, whichever is lower."
 - a. Language used in the documentation on data sheets from inverter manufacturers tends to be inconsistent and given the UL listing procedures and costs, it is cost prohibitive for them to update the language. This change would accommodate the various language used and meet the intent of the requirements.
6. In conjunction with these procedures we recommend each Company host a simple online spreadsheet which is updated at minimum weekly similar to MA.
 - a. <http://www.massaca.org/>
 - b. <https://app.massaca.org/allocationreport/report.aspx>
7. Acceptable terms for notification between the Company and Applicant need to be established (email, certified mail, etc)
8. We recommend the Company be required to notify the Applicant when their allocation in the net metering queue is awarded, lost and re-established.
9. For Type C projects we recommend those projects which lose their allocation be placed at the end of the queue line. In conjunction with this we recommend that the timelines associated with the milestones be amended to trigger off of the prior milestone so that the next requirement deadline be clear if re-entry into the queue is made. IE reference back to the date as defined by “the first to occur of (i) the date the Company provides the Applicant with an Interconnection Service Agreement which describes the required utility upgrades and costs, or (ii) the date the Company provides the Applicant with the results of its System Impact Study or, if the Company does not provide a formal System Impact Study report, the date on which the Company provides an estimate of utility upgrade costs.” will be irrelevant.

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10. It is important the Procedures clearly address requests for extensions, system size changes and their impact on NEM cap allocation if any, dispute resolution procedures and administrator requirements.

Thank you again for the opportunity to comment and for your consideration of these comments. We are happy to discuss any of these issues further if you wish. We look forward to seeing final program rules and to getting to work.

Sincerely,

Chris Anderson
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